



廣東康華醫療股份有限公司
Guangdong Kanghua Healthcare Co., Ltd.*

(於中華人民共和國註冊成立的股份有限公司)
(A joint stock company incorporated in the People's Republic of China with limited liability)

股份代號 Stock Code : 3689

* 僅供識別 For identification purposes only

蒼生為念
厚德載醫

中報
Interim Report

2018



CONTENTS

目錄

CORPORATE INFORMATION	公司資料	2
FINANCIAL HIGHLIGHTS	財務概覽	4
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論及分析	6
CORPORATE GOVERNANCE HIGHLIGHTS	企業管治概覽	38
OTHER INFORMATION	其他資料	41
REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	簡明綜合財務報表之審閱報告	51
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	簡明綜合損益及其他全面收益表	53
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	簡明綜合財務狀況表	54
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	簡明綜合權益變動表	56
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	簡明綜合現金流量表	57
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	簡明綜合財務報表附註	58
DEFINITIONS	釋義	103

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Junyang (*Chairman*)
Mr. Chen Wangzhi (*Chief Executive Officer*)
Mr. Wong Wai Hung Simon (*Vice Chairman*)
Ms. Wang Aiqin

Non-executive Director

Mr. Lv Yubo

Independent Non-executive Directors

Mr. Yeung Ming Lai
Dr. Chen Keji
Mr. Chan Sing Nun

Audit Committee

Mr. Chan Sing Nun (*Chairman*)
Dr. Chen Keji
Mr. Yeung Ming Lai

Remuneration Committee

Mr. Chan Sing Nun (*Chairman*)
Ms. Wang Aiqin
Mr. Yeung Ming Lai

Nomination Committee

Mr. Wang Junyang (*Chairman*)
Dr. Chen Keji
Mr. Yeung Ming Lai

SUPERVISORY COMMITTEE

Mr. Chen Shaoming (*Chairman*)
Mr. Wang Shaofeng
Mr. Wang Bingzhi

JOINT COMPANY SECRETARIES

Mr. Wong Wai Hang Ricky
Ms. Chau Hing Ling

SECRETARY TO THE BOARD

Ms. Wang Yingda

董事會

執行董事

王君揚先生(*主席*)
陳旺枝先生(*行政總裁*)
王偉雄先生(*副主席*)
王愛勤女士

非執行董事

呂玉波先生

獨立非執行董事

楊銘灃先生
陳可冀醫生
陳星能先生

審核委員會

陳星能先生(*主席*)
陳可冀醫生
楊銘灃先生

薪酬委員會

陳星能先生(*主席*)
王愛勤女士
楊銘灃先生

提名委員會

王君揚先生(*主席*)
陳可冀醫生
楊銘灃先生

監事會

陳少明先生(*主席*)
王少鋒先生
王炳枝先生

聯席公司秘書

黃偉恒先生
周慶齡女士

董事會秘書

王櫻達女士

Corporate Information

公司資料

AUTHORISED REPRESENTATIVES

Mr. Wong Wai Hung Simon
Mr. Wong Wai Hang Ricky

授權代表

王偉雄先生
黃偉恒先生

AUDITOR

Deloitte Touche Tohmatsu

核數師

德勤 • 關黃陳方會計師行

LEGAL ADVISERS AS TO HONG KONG LAWS

Allen & Overy

香港法律顧問

安理國際律師事務所

REGISTERED OFFICE

3/F, Outpatient Zone One
Dongguan Kanghua Hospital
Nancheng Street Road
Dongguan
Guangdong Province
PRC

註冊辦事處

中國
廣東省
東莞市
南城街道
東莞康華醫院
門診一區3樓

HEAD OFFICE IN THE PRC

1000 Dongguan Avenue
Dongguan
Guangdong Province
PRC

中國總部

中國
廣東省
東莞市
東莞大道1000號

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3207, Metroplaza Tower 2
223 Hing Fong Road
Kwai Fong, New Territories
Hong Kong

香港主要營業地點

香港
新界葵芳
興芳路223號
新都會廣場第二座3207室

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712 – 1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

H股證券登記處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心
17樓1712-1716號舖

STOCK CODE

3689

股份代號

3689

COMPANY'S WEBSITE

<http://www.kanghuagp.com>

公司網站

<http://www.kanghuagp.com>

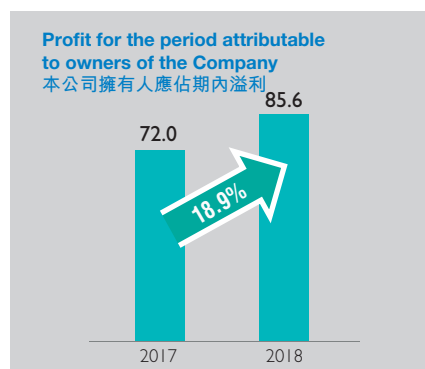
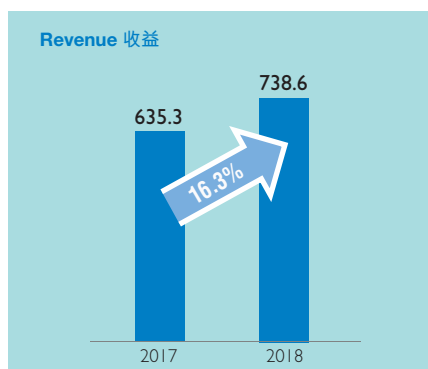
Financial Highlights

財務概覽

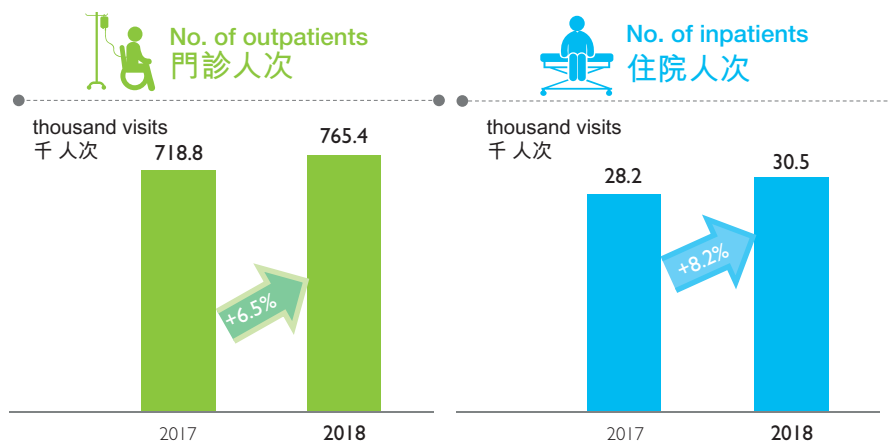
KEY FINANCIAL PERFORMANCE 主要財務表現

		For the six months ended 30 June 截至六月三十日止六個月		
			2018	2017
			二零一八年	二零一七年
		PoP Change 按期變動	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收益	+16.3%	738,589	635,302
Gross profit	毛利	+4.6%	168,048	160,659
Gross profit margin	毛利率	-2.5b.p.	22.8%	25.3%
Profit before taxation	除稅前溢利	+14.0%	116,229	101,979
Profit for the period attributable to owners of the Company	本公司擁有人應佔期內溢利	+18.9%	85,632	72,043
Earnings per share - basic (RMB cents)	每股基本盈利(人民幣分)	+19.1%	25.6	21.5

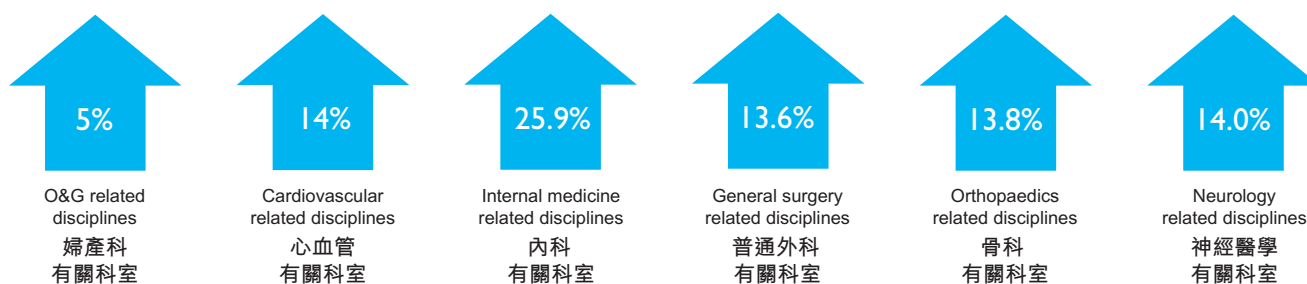
RMB million 人民幣 百萬元



PATIENT VISITS 病人人次

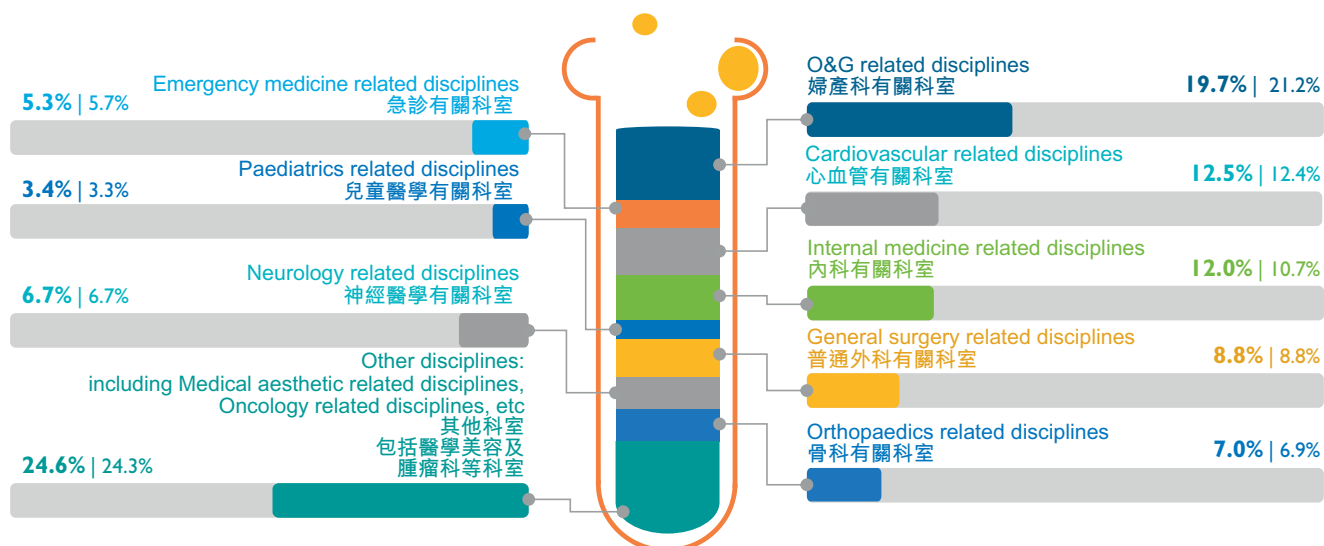


REVENUE POP GROWTH OF MAJOR HEALTHCARE DISCIPLINES 主要科室期內同比升幅



REVENUE PROPORTION BY MAJOR HEALTHCARE DISCIPLINES* 主要醫學專科收益比例*

2018 | 2017



* The amount does not include revenue from rehabilitation and other healthcare services, hospital management services and sales of pharmaceutical products.

* 該金額不包括康復及其他醫療服務、醫院管理服務及銷售藥品的收益。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK

Business overview for the six months ended 30 June 2018

In the first half of 2018, the Group continued to deliver promising operating results and growth. During the current period, we successfully acquired 57% equity interest in Anhui Hualin. Anhui Hualin directly and indirectly holds sponsor interests in certain private non-enterprise entities in the PRC, including one class II rehabilitation hospital, one class I general hospital, nine rehabilitation centres for the disabled and one vocational training school in Anhui Province, the PRC. The Board expects that the acquisition will generate significant synergistic value to the Group and further expand the Group's footprint in the healthcare industry in the PRC.



Furthermore, during the current period, the Group entered into the acquisition agreement to acquire the 60% equity interest of Zhonglian Cardiovascular Hospital. The acquisition was completed on 31 July 2018 and Zhonglian Cardiovascular Hospital has become a non-wholly-owned subsidiary of the Company. The Board considers that full integration and consolidation of Zhonglian Cardiovascular Hospital into the Group's operations will enable the Group to benefit from the operating prospects of Zhonglian Cardiovascular Hospital to a greater extent in the long term compared to a management arrangement.

業務回顧和展望

截至二零一八年六月三十日止六個月的業務概覽

二零一八年上半年，本集團繼續創造良好的經營業績及增長。於本期間，我們成功收購安徽樺霖的57%股權。安徽樺霖直接及間接持有中國若干民辦非企業單位的舉辦者權益，包括中國安徽省一家二級康復醫院、一家一級綜合醫院、九家殘疾康復中心及一家職業培訓學校。董事會預期收購將為本集團帶來重大協同效益，並可幫助本集團進一步拓展於中國醫療行業之版圖。



此外，於本期間，本集團訂立收購協議收購眾聯心血管病醫院的60%股權。收購於二零一八年七月三十一日完成，眾聯心血管病醫院成為本公司的非全資附屬公司。董事會認為，與現時的管理安排相比，將眾聯心血管病醫院全面整合及綜合計入本集團業務將有助本集團長遠受惠於眾聯心血管病醫院的營運前景。

Management Discussion and Analysis

管理層討論及分析

Hospital Services

The Group's owned hospitals, namely Kanghua Hospital and Renkang Hospital, have delivered solid and promising results, in particular (i) the total number of inpatient visits reached 30,507 (six months ended 30 June 2017: 28,208), representing a period-on-period increase of 8.2%; (ii) the overall average spending per inpatient visit amounted to RMB13,970 (six months ended 30 June 2017: RMB13,410), representing a period-on-period increase of 4.2%; (iii) the overall bed utilisation rate increased to 87.8% (six months ended 30 June 2017: 84.0%); (iv) the average length of stay was slightly lowered to 7.6 days (six months ended 30 June 2017: 7.8 days) as a result of further optimisation in clinical processes; (v) the total number of outpatient visits reached 765,370 (six months ended 30 June 2017: 718,752), representing a period-on-period increase of 6.5%; (vi) the overall average spending per outpatient visit amounted to RMB338 (six months ended 30 June 2017: RMB321), representing a period-on-period increase of 5.2%; and (vii) the total number of surgical operations reached 18,875 (six months ended 30 June 2017: 18,685), representing a period-on-period increase of 1.0%.

The table below sets forth certain key operational data of the Group's owned hospitals for the periods indicated:

醫院服務

本集團擁有的醫院，即康華醫院及仁康醫院，創造良好的業績，特別是：(i) 住院人次總數達30,507名(截至二零一七年六月三十日止六個月：28,208名)，同比增加8.2%；(ii) 每名住院病人的整體平均開支為人民幣13,970元(截至二零一七年六月三十日止六個月：人民幣13,410元)，同比增長4.2%；(iii) 病床的整體佔用率提高到87.8%(截至二零一七年六月三十日止六個月：84.0%)；(iv) 由於進一步優化臨床流程，平均住院天數小幅降至7.6天(截至二零一七年六月三十日止六個月：7.8天)；(v) 門診總人次達到765,370名(截至二零一七年六月三十日止六個月：718,752名)，同比增長6.5%；(vi) 每名門診病人的整體平均支出為人民幣338元(截至二零一七年六月三十日止六個月：人民幣321元)，同比增長5.2%；及(vii) 外科手術總數達到18,875宗(截至二零一七年六月三十日止六個月：18,685宗)，同比增長1.0%。

下表載列本集團擁有的醫院於所示期間的若干主要營運數據：

		For the six months ended 30 June		
		截至六月三十日止六個月		
		Change	2018	2017
		變動	二零一八年	二零一七年
Inpatient healthcare services	住院醫療服務			
Number of registered bed	登記病床數目	—	2,460	2,460
Inpatient visits	住院人次	+8.2%	30,507	28,208
Average length of stay (days)	平均住院日數(天)	-0.2	7.6	7.8
Average spending per visit (RMB)	每人每次平均開支(人民幣元)	+4.2%	13,969.5	13,409.8
Outpatient healthcare services	門診醫療服務			
Outpatient visits	門診人次	+6.5%	765,370	718,752
Average spending per visit (RMB)	每人每次平均開支(人民幣元)	+5.2%	338.1	321.3

Management Discussion and Analysis

管理層討論及分析

Kanghua Hospital

In the first half of 2018, Kanghua Hospital successfully passed Grade A Class III general hospital rating review by the Health and Family Planning Commission of Guangdong Province. Such rating signifies an important milestone for Kanghua Hospital and recognition of its quality service offerings. The Board is optimistic that Kanghua Hospital will continue to excel in delivering exemplary healthcare services and maintain its leading position in the private healthcare market in the PRC. During the Reporting Period, Kanghua Hospital continued to strictly adhere to the operating standard of a Grade A Class III general hospital and improve on key aspects of operations, including comprehensive management, medical capability, quality of nursing care, pharmaceuticals and infection control. In particular, during the current period, (i) Kanghua Hospital's haematology centre developed the capability to independently perform MICM diagnosis system of haematological diseases, which we believe is the first unit developing such independent capability in Dongguan; (ii) Kanghua Hospital's clinical trial centre passed review by an independent and qualified organisation and became one of the few private hospitals in the PRC to obtain clinical trial accreditation; (iii) Kanghua Hospital further strengthened its cooperation with lower-tier hospitals and community healthcare centres and established a number of technical support access and mutual patient referral systems; and (iv) Kanghua Hospital committed considerable resources to recruiting quality healthcare professionals and management personnel from reputable hospitals in Guangzhou and providing external and internal comprehensive training opportunities to its staff.

During the current period, Kanghua Hospital – Huawei Clinic, an outpatient division of Kanghua Hospital that commenced operations in August 2017, experienced a significant increase in patient visits. Healthcare professionals of the clinic were given training and first-aid exercise to improve their emergency care capability and ensure they deliver standardised medical practice. The clinic also participated in numerous community activities, such as voluntary clinic, with a view to improving its reputation and attracting patients. During the current period, the clinic received more than 9,800 outpatient visits.



康華醫院

二零一八年上半年，康華醫院成功通過廣東省衛生和計劃生育委員會對其進行的三級甲等綜合醫院評級複審。再次獲得三甲評級是康華醫院的重大里程碑，意味著我們的優質服務得到認可。董事會對康華醫院繼續提供典範性醫療服務及保持在中國民營醫療市場的領先地位持樂觀態度。於報告期內，康華醫院繼續嚴格遵守三級甲等綜合醫院的運營標準及改善了多方面運營重點，包括綜合管理、醫療能力、護理質量、藥品及感染控制。尤其是，於本期間，(i)康華醫院血液病中心已形成可獨立開展MICM血液病診斷體系的平台，我們相信該中心是東莞首家具備此獨立診斷能力的單位；(ii)康華醫院的臨床試驗中心通過一家獨立合資格機構的評審，成為中國少數取得臨床試驗資質的民營醫院之一；(iii)康華醫院進一步加強與下級醫院及社區醫療中心的合作，並建立多個技術支持及病人雙向轉診體系；及(iv)康華醫院投入大量資源從廣州知名醫院招聘優秀的醫療專業人才及管理人員，並為其員工提供內外綜合培訓機會。

於本期間，康華醫院一華為門診部(康華醫院於二零一七年八月投入運營的門診部)接診患者人次大幅增加。該門診部醫療專業人員接受培訓及急救演習以提升其急救護理能力，確保其醫療操作符合規範標準。該門診部亦參與義診等眾多社區活動，旨在提高聲譽及吸引患者。於本期間，該門診部接收門診超過9,800人次。



Management Discussion and Analysis

管理層討論及分析

Renkang Hospital

Renkang Hospital has taken an active part in the establishment of medical union in Dongguan and further the development of various disciplines. The hospital established maternal first-aid medical union with Dongguan Maternal and Child Health Hospital, and established respiratory specialized medical union with Dongguan People's Hospital. Furthermore, Renkang Hospital was also recognised as a cooperating hospital of the National Stroke Centre.

Renkang Hospital entered into cooperation with a leading enterprise in Chinese Medicine to establish a training base for Chinese doctors, which we believe is the first in Dongguan, with a view to further improveing Renkang Hospital's development on Chinese Medicine. Renkang Hospital obtained the qualification of Dongguan's occupational disease examination in 2017 and began offering such service in March 2018. During the current period, Renkang Hospital provided occupational disease examination service to more than 1,800 patients, and we expect that the market demand for such service will continue to rise.

During the current period, Renkang Hospital had begun the preliminary work for applying for a Grade A Class II general hospital rating. We expect that Renkang Hospital will be able to substantially complete clinical inspections and information preparation as soon as end of 2018 and submit the formal application to the relevant health authorities.

仁康醫院

仁康醫院積極參與東莞市醫聯體建設，推進多個專科的發展。該醫院與東莞市婦幼保健院建立了孕產婦急救醫聯體，以及與東莞市人民醫院共同建立呼吸專科醫聯體。此外，仁康醫院亦獲認可為國家卒中中心協作醫院。

為進一步推動中醫科的發展，仁康醫院與一家領先的中醫企業合作，建立中醫培訓基地，我們相信這是東莞首個中醫培訓基地。仁康醫院於二零一七年取得東莞市職業病體檢資質，並於二零一八年三月開始提供此類服務。於本期間，仁康醫院為超過 1,800 名患者提供疾病體檢服務，我們預期此類服務的市場需求將繼續上升。

於本期間，仁康醫院開始二級甲等綜合醫院申請準備工作。我們預期仁康醫院最快可於二零一八年底基本完成臨床檢查及資料編製，並向相關衛生部門提交正式申請。

Management Discussion and Analysis

管理層討論及分析

The table below sets forth the revenue contribution by healthcare disciplines for the periods indicated:

下表載列於所示期間按醫學專科劃分的收益貢獻：

		For the six months ended 30 June 截至六月三十日止六個月					
		2018 二零一八年			2017 二零一七年		
		Change 變動	RMB' 000 人民幣千元	% of revenue of the Group's owned hospitals 分佔本集團 擁有醫院的 收益百分比	RMB' 000 人民幣千元	% of revenue of the Group's owned hospitals 分佔本集團 擁有醫院的 收益百分比	
Healthcare disciplines	醫學專科						
O&G related disciplines	婦產科有關科室	+5.0%	141,145	19.7	134,410	21.2	
Cardiovascular related disciplines	心血管有關科室	+14.0%	89,618	12.5	78,590	12.4	
Internal medicine related disciplines	內科有關科室	+25.9%	85,539	12.0	67,950	10.7	
General surgery related disciplines	普通外科有關科室	+13.6%	63,051	8.8	55,524	8.8	
Orthopaedics related disciplines	骨科有關科室	+13.8%	50,065	7.0	43,986	6.9	
Neurology related disciplines	神經醫學有關科室	+14.0%	48,077	6.7	42,188	6.7	
Emergency medicine related disciplines	急診有關科室	+3.0%	37,449	5.3	36,373	5.7	
Paediatrics related disciplines	兒童醫學有關科室	+13.8%	23,934	3.4	21,031	3.3	
Medical aesthetic related disciplines	醫學美容有關科室	-10.9%	15,817	2.2	17,751	2.8	
Nephrology related disciplines	腎臟科有關科室	+9.1%	16,154	2.3	14,812	2.3	
Oncology related disciplines	腫瘤有關科室	+20.6%	13,930	1.9	11,554	1.8	
Physical examination	體檢科	+21.0%	30,163	4.2	24,938	3.9	
Other disciplines	其他臨床科室	+17.8%	100,151	14.0	85,006	13.5	
Total#	總計#		715,093	100.0	634,113	100.0	

The amount does not include revenue from rehabilitation and other healthcare services, hospital management services and sales of pharmaceutical products.

該金額不包括康復及其他醫療服務、醫院管理服務及銷售藥品的收益。

Note: The Group's healthcare disciplines can generally be classified into clinical disciplines and medical technology disciplines. Medical technology disciplines provide diagnostic and treatment support according to the requirements of clinical disciplines from time to time. Revenue derived from services delivered through medical technology disciplines is generally recognised in the relevant clinical disciplines that utilised such services.

附註：本集團的醫療專科一般可分為臨床專科和醫療技術專科。醫療技術專科根據臨床專科的要求不時提供診斷和治療支援。通過醫療技術專科提供服務產生的收益通常在使用這些服務的相關臨床專科中確認。

Management Discussion and Analysis

管理層討論及分析

In the first half of 2018, Kanghua Hospital performed: (i) 917 cardiovascular interventional surgeries (six months ended 30 June 2017: 861), representing a period-on-period increase of 6.5%; and (ii) 5,619 surgeries with level 3 or level 4 complexities (six months ended 30 June 2017: 4,510), representing a period-on-period increase of 24.6%. O&G disciplines, internal medicine disciplines, cardiovascular disciplines, general surgery disciplines and orthopaedics disciplines remained to be the top revenue generating disciplines of the Group for the first half of 2018, accounting for approximately 60.1% of the Group's total revenue in hospital services in the same period (six months ended 30 June 2017: 60.0%).

During the six months ended 30 June 2018, (a) our O&G related disciplines have become a stable revenue driver of the Group and have recorded a period-on-period revenue increase of 5.0%, primarily attributable to (i) the Group's continuous efforts of expanding O&G related workforce and medical facilities; (ii) the further penetration of two-child policy in the PRC; and (iii) continuous strong demand for reproductive medicine services with a period-on-period revenue increase of 11.1%; (b) revenue from cardiovascular related disciplines recorded a strong period-on-period increase of 14.0%, primarily attributable to the Group's significant improvements in clinical resources and service capabilities as well as the Group's continuous growth in industry reputation within Guangdong Province; (c) revenue from internal medicine related disciplines recorded a significant period-on-period increase of 25.9%, primarily attributable to the recruitment of reputable healthcare experts and professionals to improve the service quality and overall treatment efficacy; (d) revenue from oncology related disciplines recorded a significant period-on-period increase of 20.6%, a turnaround from last year's period-on-period decrease, primarily attributable to the recruitment of new oncology professionals in 2017, which had the effect of attracting patients to Kanghua Hospital; and (e) physical examination services recorded a period-on-period considerable increase of 21.0%, primarily as a result of the full impact of the additional revenue derived from Kanghua Hospital – Huawei Clinic, an outpatient division of the Group that commenced operations in August 2017. The Group will continue to recruit qualified and reputable healthcare professionals, accelerate the installation and implementation of medical facilities and comprehensively promote the development of these disciplines, as well as improving the capability to receive and treat critical patients.

於二零一八年上半年，康華醫院已施行：(i) 917次心血管導管介入手術(截至二零一七年六月三十日止六個月：861次)，按期計同比增長6.5%；及(ii) 5,619次三、四級複雜手術(截至二零一七年六月三十日止六個月：4,510次)，按期計同比增長24.6%。婦產科、內科、心血管科、普通外科和骨科仍然是二零一八年上半年本集團產生最高收益的專科，佔本集團同期醫院服務總收益約60.1%(截至二零一七年六月三十日止六個月：60.0%)。

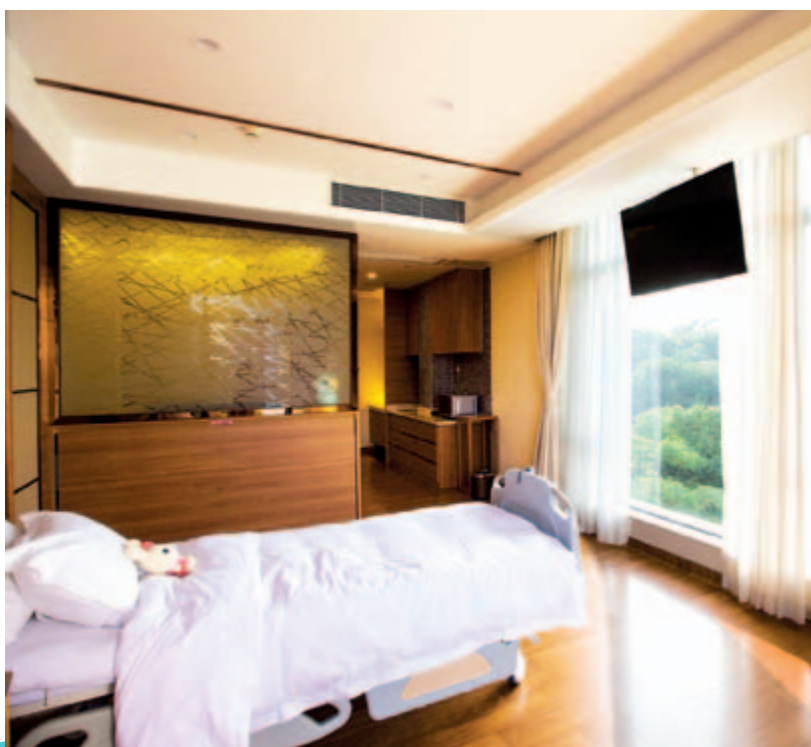
截至二零一八年六月三十日止六個月，(a) 婦產科有關科室已成為本集團穩定的收益驅動力，並按期錄得5.0%的同比增長，主要原因是(i) 本集團不斷努力擴充婦產科有關科室勞動力及醫療設施；(ii) 中國二胎政策進一步滲透；及(iii) 對生殖醫學服務的持續強烈需求，收益按期同比增長11.1%；(b) 心血管有關科室收益按期錄得14.0%的強勁同比增長，主要由於本集團的臨床資源及服務能力大幅改善以及本集團在廣東省內的行業聲譽不斷提高；(c) 內科有關科室收益按期錄得25.9%的大幅度同比增長，主要由於增聘知名醫療專家及專業人員以提升服務質量及整體療效；(d) 與去年按期同比下降相比，腫瘤有關科室收益轉為按期錄得20.6%的大幅度同比增長，主要由於二零一七年底增聘新腫瘤學專業人員，這有助於吸引患者到康華醫院就醫；及(e) 體檢服務按期錄得21.0%的可觀增長，主要由於康華醫院一華為門診部(本集團於二零一七年八月開始運營的門診部)產生的額外收益造成的全面影響。本集團將持續增聘合資格的醫療專家，加快相關醫療設施的配置及投用流程，全面推動該等科室的發展，同時提高對重症病人的收治能力。

Management Discussion and Analysis

管理層討論及分析

The Group's special services are high-end healthcare services that extend beyond basic medical services and are specifically catered for the more affluent patients who are willing to pay a premium for higher quality and customised healthcare services not generally available in public hospitals. The Group's special services consist of VIP healthcare services, reproductive medicine, plastic and aesthetic surgery and laser treatment. In first half of 2018, the total revenue derived from special services amounted to RMB72.7 million (six months ended 30 June 2017: RMB60.3 million), representing a period-on-period increase of 20.5%. In the first half of 2018, the average spending per inpatient visit of VIP healthcare services amounted to RMB23,785.9 (six months ended 30 June 2017: RMB19,905.3), representing a period-on-period increase of 19.5%, primarily attributable to our more premium service offerings from Huaxin Building (a complex in Kanghua Hospital dedicated to VIP healthcare services), including comprehensive O&G services dedicated to VIP patients and our ability to increase the pricing as our services matures. Our revenue from VIP inpatient services recorded a period-on-period increase of 60.2%, primarily driven by the increase in average spending and inpatient visits. The demand for reproductive medicine remains strong with a period-on-period increase of 11.1% in revenue. The Group will continue to accelerate the expansion of Reproductive Medicine Center to increase capacity and better meet the rapidly rising market demand.

本集團的特殊服務是在大眾醫療的基礎上延伸出的高端化醫療服務，主要針對高收入患者，彼等願意為普通公立醫院難以提供的高品質、定制化醫療服務支付額外費用。本集團的特殊服務包括貴賓醫療服務、生殖醫學、整形及美容手術及激光治療。於二零一八年上半年，來自特殊服務的總收益為人民幣72.7百萬元(截至二零一七年六月三十日止六個月：人民幣60.3百萬元)，按期同比增長20.5%。於二零一八年上半年，貴賓醫療服務的每住院人次平均開支為人民幣23,785.9元(截至二零一七年六月三十日止六個月：人民幣19,905.3元)，按期計同比增長19.5%，主要是由於華心樓(康華醫院專門用於貴賓醫療服務的綜合大樓)可提供更多樣化的高端服務(包括開放貴賓婦產科服務)及我們在服務成熟時提高定價的能力。我們的貴賓住院服務收益按期錄得同比增長60.2%，主要受患者平均開支及住院人次增長所推動。生殖醫學的需求依然強勁，收益按期同比增長11.1%。本集團將繼續加快生殖醫學中心的擴建工作，以提升該中心的接診能力，從而更好地滿足快速上升的市場需求。



Management Discussion and Analysis

管理層討論及分析

The table below sets forth some key operating data for the Group's special services:

下表列出本集團特殊服務的若干關鍵營運數據：

Special Services	特殊服務	Change 變動	For the six months ended 30 June 截至六月三十日止六個月	
			2018 二零一八年	2017 二零一七年
VIP healthcare services	貴賓醫療服務			
Number of beds in operation	運營病床數目	—	160	160
Inpatient visits	住院人次	+34.0%	906	676
Average spending per inpatient visit (RMB)	每人平均住院開支(人民幣元)	+19.5%	23,785.9	19,905.3
Outpatient visits	門診人次	-2.7%	27,330	28,083
Average spending per outpatient visit (RMB)	每人平均門診開支(人民幣元)	+11.7%	548.1	490.8
Revenue (RMB'000)	收益(人民幣千元)	+34.1%	36,529	27,239
Reproductive medicine	生殖醫學			
Number of outpatient visits	門診人次	+8.8%	29,019	26,670
Revenue (RMB'000)	收益(人民幣千元)	+11.1%	29,488	26,537
Plastic and aesthetic surgery	整形美容外科			
Revenue (RMB'000)	收益(人民幣千元)	-10.9%	2,258	2,535
Laser treatment	激光治療			
Revenue (RMB'000)	收益(人民幣千元)	+9.9%	4,387	3,992
Total revenue from special services (RMB'000)	特殊服務的總收益(人民幣千元)	+20.5%	72,662	60,303



Management Discussion and Analysis

管理層討論及分析

Rehabilitation and other Healthcare Services

During the current period, the Group completed the acquisition of 57% equity interest in Anhui Hualin by way of (i) an equity transfer of 49.71% equity interest in Anhui Hualin from an Independent Third Party, at a consideration of RMB58.66 million; and (ii) capital injection into Anhui Hualin by the Group on a non-rata basis of RMB20.0 million. Anhui Hualin directly and indirectly holds sponsor interests in certain private non-enterprise entities in the PRC, including one class II rehabilitation hospital, one class I general hospital, nine rehabilitation centres for the disabled and one vocational training school in Anhui Province, the PRC (collectively referred to as the “Anhui Hualin Group”). The Board expects that the acquisition will considerably enhance the Group’s business of disability rehabilitation services, generate significant synergistic value to the Group and further expand the Group’s footprint in the healthcare industry in the PRC.

The Anhui Hualin Group has a stable cooperation with Anhui Disabled Persons Federation and local governments in the provision of home-based care services for the elderly and training services for the disabled. The Anhui Hualin Group is also a major organisation offering children rehabilitation services in Anhui Province, the PRC.

Going forward, the Anhui Hualin Group will speed up the development of a class III rehabilitation center, a class III rehabilitation hospital and a specialized vocational training platform for disabled. We intend to develop the Anhui Hualin Group into an integrated rehabilitation service platform with medical rehabilitation, vocational rehabilitation, education rehabilitation and social rehabilitation. The Board also expects that the demand for quality rehabilitation services in the PRC will continue to grow.

As at 30 June 2018, the two hospitals in the Anhui Hualin Group had a total of 120 registered beds. Since the completion of the acquisition on 1 April 2018 to 30 June 2018, Anhui Hualin Group had received 7,361 outpatient visits, 567 inpatient visits and 86,823 rehabilitation patient visits. Revenue from rehabilitation and other healthcare services amounts to RMB14.7 million since its acquisition.

康復及其他醫療服務

於本期間，本集團已完成收購安徽樺霖的57%股權，方式為(i)以代價人民幣58.66百萬元自賣方(一名獨立第三方)獲得安徽樺霖49.71%股權的股權轉讓；及(ii)本集團以非按比例基準向安徽樺霖注資人民幣20.0百萬元。安徽樺霖於中國多間民辦非企業單位直接及間接持有舉辦者權益，包括中國安徽省一間二級康復醫院、一間一級綜合醫院、九間殘疾人康復中心及一間職業培訓學校(統稱為「安徽樺霖集團」)。董事會預計，此次收購將大大增強本集團殘疾人康復服務業務，為本集團帶來巨大的協同價值，並進一步擴大本集團在中國醫療行業的影響力。

安徽樺霖集團與安徽省殘疾人聯合會及當地政府在提供老年人居家養老及殘疾人培訓服務方面有著穩定的合作關係。安徽樺霖集團亦為中國安徽省提供兒童康復服務的主要機構。

未來，安徽樺霖集團將加快發展三級殘疾人康復中心、三級康復醫院及專業化殘疾人職業培訓教學平台。我們計劃將安徽樺霖集團打造成為一個集醫療康復、職業康復、教育康復、社會康復為一體的綜合康復服務平台。董事會亦預期中國對優質康復服務的需求會持續增長。

截至二零一八年六月三十日，安徽樺霖集團旗下兩家醫院共有120張註冊床位。安徽樺霖集團自二零一八年四月一日至二零一八年六月三十日完成收購以來，已接待門診7,361人次，住院567人次，康復患者86,823人次。自收購以來，康復及其他醫療服務收益達人民幣14.7百萬元。

Management Discussion and Analysis

管理層討論及分析

Hospital Management Services

In June 2016, the Group entered into a management agreement with Zhonglian Cardiovascular Hospital. It was the Group's first managed hospital and represented its first step of extending the Group's footprint to outside of Guangdong Province. Zhonglian Cardiovascular Hospital commenced operations in March 2017 and has developed at a promising pace. As at 30 June 2018, Zhonglian Cardiovascular Hospital had 43 doctors and 147 other healthcare professionals. With the view to establishing brand image, Zhonglian Cardiovascular Hospital has organised numerous community health lectures and charity healthcare services. During the current period, Zhonglian Cardiovascular Hospital had served more than 4,300 outpatients and more than 500 inpatients and performed more than 200 cardiovascular surgeries.

In February 2018, Zhonglian Cardiovascular Hospital entered into a cooperation agreement with Heart Federation, the largest cardiovascular diseases treatment and prevention service organisation in China, with respect to the sharing of healthcare resource, including healthcare professionals and medical capability. At the same time, the National Clinical Medical Research Center for Cardiovascular Diseases also set up a sub-center in Zhonglian Cardiovascular Hospital. The Board considers that the above achievements fully reflect the prominence of the hospital's medical and clinical research capability, particularly in southwestern China.

In June 2018, the Group entered into the acquisition agreement to acquire the 60% equity interest of Zhonglian Cardiovascular Hospital. The acquisition was completed on 31 July 2018 and Zhonglian Cardiovascular Hospital has become a non-wholly-owned subsidiary of the Company. The Board considers that full integration and consolidation of Zhonglian Cardiovascular Hospital into the Group's operations will enable the Group to benefit from the operating prospects of Zhonglian Cardiovascular Hospital to a greater extent in the long term. The Board considers that the current performance of Zhonglian Cardiovascular Hospital meets expectations and is confident in its operating prospects going forward.



醫院管理服務

於二零一六年六月，本集團已與眾聯心血管病醫院訂立管理協議。此乃本集團管理的首間醫院，代表本集團向廣東省外擴張的第一步。眾聯心血管病醫院於二零一七年三月開始運營，發展勢頭良好。截至二零一八年六月三十日，眾聯心血管病醫院有43名醫生及147名其他醫療專業人員。為了樹立品牌形象，眾聯心血管病醫院組織多次社區健康講座及慈善醫療服務。於本期間，眾聯心血管病醫院接待門診4,300餘人次，住院逾500人次，開展心血管外科手術200餘例。

於二零一八年二月，眾聯心血管病醫院與心臟聯盟（中國最大的心血管病防治服務組織）就醫療資源（包括醫療專業人員及醫療能力）共享訂立合作協議。同時，國家心血管病臨床醫學研究中心亦於眾聯心血管病醫院設立分中心。董事會認為，以上成就充分體現該醫院於醫療及臨床研究方面的突出能力，尤其是在中國西南地區。

於二零一八年六月，本集團訂立收購協議，以收購眾聯心血管病醫院60%的股權。收購於二零一八年七月三十一日完成，眾聯心血管病醫院成為本公司的非全資附屬公司。董事會認為，將眾聯心血管病醫院全面整合及合併至本集團的運營中，可使本集團從該醫院的經營前景中獲得顯著的長期收益。董事會認為，眾聯心血管病醫院目前的表現符合預期，並對其未來經營前景充滿信心。



Management Discussion and Analysis

管理層討論及分析

Sales of Pharmaceutical Products

In July 2017, the Group established a pharmaceuticals and medical consumables trading company for the purpose of streamlining pharmaceuticals and medical consumables sales directly to the patients at the Group's hospitals and walk-in customers who may not be patients of the Group's hospitals. The Board believes the diversity of this operation can lower our overall cost of revenue through centralizing of purchase function and thereby increasing the overall margin of the Group.

Industry Outlook and Strategy

In March 2018, the State Council delivered the government's work of the past five years and laid out, among other things, key development aspects of healthcare reform for the year 2018, including:

- deepening comprehensive public hospital reform and making coordinated moves to reform healthcare pricing, staffing and remuneration, medicine distribution, and health insurance payment models; improving the quality of healthcare services and resolving the difficulties people face in accessing medical care;
- raising basic medical insurance and serious disease insurance benefits. Per capita government subsidies for basic health insurance for rural and non-working urban residents will be increased by RMB40, half of which will be used for the serious disease insurance scheme; expanding coverage of interprovincial on-the-spot settlement of medical bills through basic insurance accounts and making this applicable to community-level hospitals, and to rural migrant workers and other workers and business owners without local household registration;
- strengthening efforts to build up the ranks of general practitioners, and developing tiered diagnosis and treatment; increasing per capita government subsidies for basic public health services; improving maternal and child healthcare and preserving traditional Chinese medicine and supporting its development; and
- adopting proactive measures to tackle population aging, including developing at-home, community-based, and mutual-aid elderly care, promoting integrated medical and elderly care services, and improving the quality of services at senior care facilities.

銷售藥品

於二零一七年七月，本集團成立藥品及醫療耗材貿易公司，以將藥品及醫療耗材直接銷售予本集團醫院的患者，以及非本集團醫院患者的上門客戶。董事會認為，該經營多樣性可透過集中採購功能降低我們的整體收益成本，從而提高本集團的整體利潤率。

行業前景及策略

於二零一八年三月，國務院提交過去五年政府工作報告，並制定(其中包括)二零一八年醫療改革的主要發展方向，包括：

- 深化公立醫院綜合改革，協調推進醫療價格、人事薪酬、藥品流通、醫保支付改革，提高醫療衛生服務質量，解決群眾看病就醫難題；
- 提高基本醫保和大病保險保障水平，將城鄉非從業居民基本醫保人均財政補助標準再增加人民幣40元，一半用於大病保險，通過基本保險賬戶擴大跨省異地就醫直接結算範圍，把基層醫院和外出農民工、外來就業創業人員等全部納入；
- 加強全科醫生隊伍建設，推進分級診療。繼續提高基本公共衛生服務經費人均財政補助標準。改善婦幼保健服務，支持中醫藥事業傳承發展；及
- 積極應對人口老齡化，發展居家、社區和互助式養老，推進醫養結合，提高養老院服務質量。

Management Discussion and Analysis

管理層討論及分析

We will proactively follow the State Council's directives and seize the opportunities presented by medical reform. We aim to establish an integrated healthcare platform and further develop our medical disciplines to improve our medical capability and quality with a view to meeting the increasing demand for quality healthcare. We will also seek appropriate opportunities to expand our healthcare network and promote collaboration and mutual referral among other healthcare institutions.

Future Plans for Material Investments and Capital Assets

Save as disclosed in this interim report, the Group did not have other plans for material investments or capital assets as of the date of this interim report.

我們將會積極響應國務院指示及把握醫療改革帶來的機遇。我們的目標是建立一個綜合醫療平台，進一步發展我們的醫療學科，提高我們的醫療能力和質量，以滿足對優質醫療日益增長的需求。我們亦會尋求合適機會拓展我們的醫療網絡，並促進與其他醫療機構之間的合作及相互推介。

重大投資及資本資產之未來計劃

除本中期報告披露者外，本集團於本中期報告日期並無其他重大投資計劃或資本資產計劃。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Segment Revenue

The Group generates revenue primarily from: (i) our hospital services - providing healthcare services through its owned hospitals, namely Kanghua Hospital and Renkang Hospital, comprising inpatient healthcare services, outpatient healthcare services and physical examination services; (ii) our rehabilitation and other healthcare services - providing rehabilitation services to patients with physical or mental disabilities and other healthcare related services including elderly care and training service for the disabled; (iii) providing hospital management services to a hospital owned by an independent third party, namely Zhonglian Cardiovascular Hospital; and (iv) sales of pharmaceutical products and medical consumables to patients of the Group's hospitals and walk-in customers who may not be patients of the Group's hospitals.

The following tables below set forth the revenue, cost of revenue, gross profit and gross profit margin of the Group by segment for the periods indicated:

For the six months ended 30 June 2018 (unaudited)

		Hospital services	Rehabilitation and other healthcare services	Hospital management services	Sales of pharmaceutical products	Total
		醫院服務	其他醫療服務	醫院管理服務	銷售藥品	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(Note a) (附註 a)		(Note b) (附註 b)	
Revenue	收益	715,093	14,651	1,922	6,923	738,589
Cost of revenue	收益成本	(557,289)	(6,832)	(941)	(5,479)	(570,541)
Gross profit	毛利	157,804	7,819	981	1,444	168,048
Gross profit margin	毛利率	22.1%	53.4%	51.0%	20.9%	22.8%

Notes:

- (a) Rehabilitation and other healthcare services was acquired in April 2018.
- (b) Sales of pharmaceutical products commenced in July 2017.

財務回顧

分部收益

本集團主要從以下各項賺取收益：(i) 我們的醫院服務－通過其本身擁有的醫院(即康華醫院及仁康醫院)提供醫療服務，包括住院醫療服務、門診醫療服務及體檢服務；(ii) 我們的康復及其他醫療服務－為身體或精神殘疾病人提供康復服務及其他醫療相關服務，包括老年護理及殘疾人訓練服務；(iii) 為一名獨立第三方擁有的醫院(即眾聯心血管病醫院)提供醫院管理服務；及(iv) 向本集團醫院的病人及未必為本集團醫院病人的步入式客戶銷售藥品及醫療耗材。

下表載列所示期間本集團的收益、收益成本、毛利及毛利率：

截至二零一八年六月三十日止六個月(未經審核)

附註：

- (a) 康復及其他醫療服務於二零一八年四月收購。
- (b) 銷售藥品於二零一七年七月開始。

Management Discussion and Analysis

管理層討論及分析

For the six months ended 30 June 2017 (unaudited)

截至二零一七年六月三十日止六個月(未經審核)

		Hospital services	Hospital management services	Total
		醫院服務	醫院管理服務	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Revenue	收益	634,113	1,189	635,302
Cost of revenue	收益成本	(473,762)	(881)	(474,643)
Gross profit	毛利	160,351	308	160,659
Gross profit margin	毛利率	25.3%	25.9%	25.3%

Revenue from the Group's hospital services amounts to RMB715.1 million (six months ended 30 June 2017: RMB634.1 million), representing a period-on-period increase of 12.8% and accounting for 96.8% (six months ended 30 June 2017: 99.8%) of the total revenue of the Group.

Included in revenue from hospital services comprised (i) revenue from inpatient healthcare services amounted to RMB426.2 million (six months ended 30 June 2017: RMB378.3 million) representing a period-on-period increase of 12.7%, accounting for 57.7% (six months ended 30 June 2017: 59.5%) of the total revenue of the Group; (ii) revenue from outpatient healthcare services amounts to RMB258.8 million (six months ended 30 June 2017: RMB230.9 million), representing a period-on-period increase of 12.1%, accounting for 35.0% (six months ended 30 June 2017: 36.3%) of the total revenue of the Group; and (iii) revenue from physical examination services amounted to RMB30.2 million (six months ended 30 June 2017: RMB24.9 million), representing a period-on-period increase of 21.0%, accounting for 4.1% (six months ended 30 June 2017: 3.9%) of the total revenue of the Group. The increase in revenue from hospital services is mainly due to (i) an increase in the number of inpatient, outpatient and physical examination visits during the period, (ii) increase in overall average spending; and (iii) the continuing strong growth in revenue of in our major disciplines and our VIP special services.

本集團醫院服務的收益為人民幣715.1百萬元(截至二零一七年六月三十日止六個月: 人民幣634.1百萬元), 同比增長12.8%, 佔本集團總收益96.8%(截至二零一七年六月三十日止六個月: 99.8%)。

醫院服務的收益包括(i)住院醫療服務的收益人民幣426.2百萬元(截至二零一七年六月三十日止六個月: 人民幣378.3百萬元), 同比增長12.7%, 佔本集團總收益57.7%(截至二零一七年六月三十日止六個月: 59.5%); (ii)門診醫療服務的收益人民幣258.8百萬元(截至二零一七年六月三十日止六個月: 人民幣230.9百萬元), 同比增長12.1%, 佔本集團總收益35.0%(截至二零一七年六月三十日止六個月: 36.3%); 及(iii)體檢服務的收益人民幣30.2百萬元(截至二零一七年六月三十日止六個月: 人民幣24.9百萬元), 同比增長21.0%, 佔本集團總收益4.1%(截至二零一七年六月三十日止六個月: 3.9%)。醫院服務的收益增長主要由於:(i)期內住院、門診及體檢人次增加;(ii)平均開支全面增加; 及(iii)主要科室及VIP特殊服務的收益持續強勁增長。

Management Discussion and Analysis

管理層討論及分析

Revenue from rehabilitation and other healthcare services amounted to RMB14.7 million (six months ended 30 June 2017: nil), accounting for 2.0% (six months ended 30 June 2017: nil) of the total revenue of the Group. In April 2018, the Group acquired Anhui Hualin which is principally engaged in provision of rehabilitation services to patients with physical or mental disabilities and other healthcare related services including care services for elderly and training service for the disabled.

Revenue from hospital management services amounted to RMB1.9 million (six months ended 30 June 2017: RMB1.2 million), accounting for 0.3% (six months ended 30 June 2017: 0.2%) of the total revenue of the Group. The management agreement with Zhonglian Cardiovascular Hospital has a term from 1 July 2016 to 30 June 2026, during which the Group has exclusive management rights over the hospital and is entitled to a monthly management fee of RMB200,000 (before applicable tax) plus 5% of hospital's monthly revenue. Zhonglian Cardiovascular Hospital only commenced operations on 1 March 2017 and is still in the phase of ramping up its operations. Apart from the fixed management fee of RMB200,000 per month (before applicable tax), the Group has received management income from the revenue generated by Zhonglian Cardiovascular Hospital.

Revenue from the sales of pharmaceutical products and medical consumables amounted to RMB6.9 million (six months ended 30 June 2017: nil), accounting for 0.9% (six months ended 30 June 2017: nil) of the total revenue of the Group. In July 2017, the Group established a pharmaceuticals and medical consumables trading company (which commenced operations in July 2017) for the purpose of streamlining pharmaceuticals and medical consumables sales directly to the patients at the Group's hospitals and walk-in customers who may not be patients of the Group's hospitals.

康復及其他醫療服務的收益為人民幣14.7百萬元(截至二零一七年六月三十日止六個月：無)，佔本集團總收益2.0%(截至二零一七年六月三十日止六個月：無)。於二零一八年四月，本集團收購安徽樺霖，其主要從事為身體或精神殘障人士提供康復服務及其他醫療相關服務，包括長者護理服務及傷殘人士培訓服務。

醫院管理服務的收益為人民幣1.9百萬元(截至二零一七年六月三十日止六個月：人民幣1.2百萬元)，佔本集團總收益0.3%(截至二零一七年六月三十日止六個月：0.2%)。與眾聯心血管病醫院訂立的管理協議期限自二零一六年七月一日起至二零二六年六月三十日止，期間本集團對該醫院擁有獨家管理權，並有權收取每月管理費人民幣200,000元(適用稅前)及另加該醫院每月收益的5%。由於眾聯心血管病醫院僅於二零一七年三月一日開始運作，經營仍處在初期上升階段。除每月人民幣200,000元(適用稅前)的固定管理費外，本集團已就眾聯心血管病醫院的收益收取管理收入。

銷售藥品及醫療消耗品的收益為人民幣6.9百萬元(截至二零一七年六月三十日止六個月：無)，佔本集團總收益0.9%(截至二零一七年六月三十日止六個月：無)。於二零一七年七月，本集團成立藥品及醫療消耗品貿易公司(於二零一七年七月開始營運)，旨在精簡藥品及醫療消耗品的銷售業務，直接向本集團醫院的病人及未必為本集團醫院病人的步入式客戶銷售。

Management Discussion and Analysis

管理層討論及分析

Cost of Revenue

Cost of revenue of the Group's hospital services (consisting of inpatient healthcare services, outpatient healthcare services and physical examination services) primarily consisted of pharmaceuticals, medical consumables, staff cost, depreciation, service expenses, utilities expenses, rental expenses and other costs. Cost of revenue of the Group's hospital services increased to RMB557.3 million (six months ended 30 June 2017: RMB473.8 million), representing a period-on-period increase of 17.6%, which was in line with the increase of revenue. Cost of revenue of the Group's rehabilitation and other healthcare services amounts to RMB6.8 million (six months ended 30 June 2017: nil), primarily consisted of staff costs, medical consumables, depreciation, utilities and rental expenses. Cost of revenue of the Group's hospital management services amounts to RMB0.94 million (six months ended 30 June 2017: RMB0.88 million) representing a period-on-period increase of 6.8%, which mainly represents staff costs in relation to management personnel assigned to Zhonglian Cardiovascular Hospital and other direct costs. Cost of revenue of the Group's sales of pharmaceutical products amounts to RMB5.5 million, mainly representing cost of purchase of pharmaceutical products.

For the six months ended 30 June 2018, pharmaceuticals, medical consumables and staff cost accounted for approximately 33.8% (six months ended 30 June 2017: 35.3%), 27.0% (six months ended 30 June 2017: 27.9%) and 27.3% (six months ended 30 June 2017: 23.1%), respectively, of the total cost of revenue of the Group. Our total staff related costs including salary, bonus and other benefits had increased by 41.5% as compared with the prior period, mainly attributable to (i) an increase in general salary level and bonus as well as other staff benefits with a view to retaining and attracting quality healthcare professionals in the healthcare industry that remains highly competitive; and (ii) the impact of the acquisition of the Anhui Hualin Group.

收益成本

本集團醫院服務(包括住院醫療服務、門診醫療服務及體檢服務)的收益成本主要包括藥品、醫療消耗品、員工成本、折舊、服務開支、水電費、租金開支和其他成本。本集團醫院服務的收益成本增加至人民幣557.3百萬元(截至二零一七年六月三十日止六個月：人民幣473.8百萬元)，同比增長17.6%，與收益增長相符。本集團的康復及其他醫療服務的收益成本為人民幣6.8百萬元(截至二零一七年六月三十日止六個月：無)，主要包括員工成本、醫療消耗品、折舊、水電費及租金開支。本集團醫院管理服務的收益成本為人民幣0.94百萬元(截至二零一七年六月三十日止六個月：人民幣0.88百萬元)，同比增長6.8%，主要指與分配至眾聯心血管病醫院的管理人員有關的員工成本及其他直接成本。本集團銷售藥品的收益成本為人民幣5.5百萬元，主要指藥品採購成本。

截至二零一八年六月三十日止六個月，藥品、醫療消耗品及員工成本分別佔本集團總收益成本約33.8%(截至二零一七年六月三十日止六個月：35.3%)、27.0%(截至二零一七年六月三十日止六個月：27.9%)及27.3%(截至二零一七年六月三十日止六個月：23.1%)。我們的員工相關成本總額(包括薪金、花紅及其他福利)較上個期間增加41.5%，主要由於(i)總薪酬水平及花紅以及其他員工福利增加，以挽留及吸引競爭頗為激烈的醫療行業中優質的醫護專業人員；及(ii)收購安徽樺霖集團的影響所致。

Management Discussion and Analysis

管理層討論及分析

Gross Profit and Gross Profit Margin

Total gross profit of the Group amounted to RMB168.0 million (six months ended 30 June 2017: RMB160.7 million), representing a period-on-period increase of 4.6%. The overall gross profit margin decreased to 22.8% (six months ended 30 June 2017: 25.3%), primarily due to:

- (i) continual increased in intake of patients requiring acute and complex treatments, in particular with our growth in cardiovascular related disciplines, internal medicine related disciplines and oncology related disciplines. Such treatments typically involve more delicate, precise and advanced surgeries and diagnostics support and command a higher margin than basic medical services;
- (ii) the growth in special services that are targeted towards high-end patients and typically command higher margin than basic healthcare services; in the first half of 2018, the revenue from special services increased by 34.1% as compared with the prior period;
- (iii) the increase in the average spending of patients and the ability to increase healthcare consultation prices at a faster pace than its cost of revenue leveraging the reputation of the “Kanghua” brand that is gaining wider recognition in the Guangdong region; and
- (iv) however, the above impact has been offset by an increase in overall staff related costs of 41.5% and depreciation of 33.7%. The increase in staff related costs includes general increase in overall salary level, more competitive compensation packages offered to our healthcare professionals and distribution of bonus to reward medical staff. The increase in depreciation was mainly a result of newly purchased medical facilities and equipment that were put into operation during the period as well as additional depreciation charge relating to the Kanghua Hospital – Huawei Clinic and the acquisition of Anhui Hualin Group.

毛利及毛利率

本集團總毛利為人民幣168.0百萬元(截至二零一七年六月三十日止六個月：人民幣160.7百萬元)，同比增長4.6%。整體毛利率下降至22.8%(截至二零一七年六月三十日止六個月：25.3%)，主要原因是：

- (i) 需要緊急和複雜治療的病人入院的比例繼續增加，尤其是心血管有關科室、內科有關科室及腫瘤有關科室。該等治療通常涉及更精細、精確和高級的手術和診斷支援，並且比基本醫療服務具有更高的利潤率；
- (ii) 針對高端病人的特殊服務增長，通常比基本醫療服務的利潤率更高；於二零一八年上半年，來自特殊服務的收益較上個期間增加34.1%；
- (iii) 病人的平均開支增加且提升醫療諮詢價格的能力因「康華」品牌在廣東地區不斷擴大知名度而較收益成本更快增長；及
- (iv) 儘管如此，上述影響因員工相關成本全面增加41.5%及折舊增加33.7%而抵銷。員工相關成本的增加包括總體薪酬水平全面提升、向我們醫療專業人員提供更具競爭力的薪酬待遇以及派發花紅獎勵醫療團隊。折舊增加主要是由於新購買的醫療設施和設備於期內投入使用以及與康華醫院－華為門診部及收購安徽樺霖集團有關的額外折舊費用所致。

Management Discussion and Analysis

管理層討論及分析

Key Operational Information of our Owned Hospitals

The follow table sets forth certain key operational information of each of the hospitals owned by the Group for the periods indicated:

Kanghua Hospital

		For the six months ended 30 June 截至六月三十日止六個月		
		Change 變動	2018 二零一八年	2017 二零一七年
Inpatient healthcare services	住院醫療服務			
Inpatient visits	住院人次	+10.7%	24,023	21,703
Average length of stay (days)	平均住院日數	-0.3	7.6	7.9
Average spending per visit (RMB)	每人次平均開支(人民幣元)	+2.6%	15,137.1	14,760.5
Outpatient healthcare services	門診醫療服務			
Outpatient visits	門診人次	+7.3%	584,055	544,169
Average spending per visit (RMB)	每人次平均開支(人民幣元)	+4.7%	367.0	350.6

Renkang Hospital

		For the six months ended 30 June 截至六月三十日止六個月		
		Change 變動	2018 二零一八年	2017 二零一七年
Inpatient healthcare services	住院醫療服務			
Inpatient visits	住院人次	-0.3%	6,484	6,505
Average length of stay (days)	平均住院日數	—	7.4	7.4
Average spending per visit (RMB)	每人次平均開支(人民幣元)	+8.3%	9,643.7	8,903.6
Outpatient healthcare services	門診醫療服務			
Outpatient visits	門診人次	+3.9%	181,315	174,583
Average spending per visit (RMB)	每人次平均開支(人民幣元)	+6.6%	244.9	229.7

我們擁有的醫院的主要營運資料

下表列出於所示期間本集團擁有的每間醫院的若干主要營運資料：

康華醫院

		For the six months ended 30 June 截至六月三十日止六個月		
		Change 變動	2018 二零一八年	2017 二零一七年
Inpatient healthcare services	住院醫療服務			
Inpatient visits	住院人次	+10.7%	24,023	21,703
Average length of stay (days)	平均住院日數	-0.3	7.6	7.9
Average spending per visit (RMB)	每人次平均開支(人民幣元)	+2.6%	15,137.1	14,760.5
Outpatient healthcare services	門診醫療服務			
Outpatient visits	門診人次	+7.3%	584,055	544,169
Average spending per visit (RMB)	每人次平均開支(人民幣元)	+4.7%	367.0	350.6

仁康醫院

		For the six months ended 30 June 截至六月三十日止六個月		
		Change 變動	2018 二零一八年	2017 二零一七年
Inpatient healthcare services	住院醫療服務			
Inpatient visits	住院人次	-0.3%	6,484	6,505
Average length of stay (days)	平均住院日數	—	7.4	7.4
Average spending per visit (RMB)	每人次平均開支(人民幣元)	+8.3%	9,643.7	8,903.6
Outpatient healthcare services	門診醫療服務			
Outpatient visits	門診人次	+3.9%	181,315	174,583
Average spending per visit (RMB)	每人次平均開支(人民幣元)	+6.6%	244.9	229.7

Management Discussion and Analysis

管理層討論及分析

Other Income

The other income of the Group primarily consisted of bank and other interest income, income from financial assets at FVTPL/available-for-sale investments, government subsidies, rental income and others. In the first half of 2018, other income amounted to RMB28.5 million (six months ended 30 June 2017: RMB11.8 million), representing a period-on-period increase of approximately 141.9%, primarily due to (i) the increase in income generated from financial assets at FVTPL/available-for-sale investments to RMB16.2 million (six months ended 30 June 2017: RMB2.4 million); and (ii) partly offset by a decrease in bank and other interest income to RMB5.6 million (six months ended 30 June 2017: RMB6.3 million) mainly as a result of decrease in average bank balances. As part of the Group's cash management to maximise return on idle cash, the Group invested in certain principal-protected structured deposit products issued by a PRC commercial bank, unlisted fund and portfolio investment fund (all classified as financial assets at FVTPL/available-for-sale investments) to achieve higher interest income and return without interfering with business operations or capital expenditures to earn better return on our excess cash balance.

Other Gain and Losses

The other gain and losses of the Group primarily consisted of net exchange gain/loss, loss on disposal of property, plant and equipment and impairment loss on accounts receivables. In the first half of 2018, other gain and losses amounted to a net gain of RMB0.25 million (six months ended 30 June 2017: net loss of RMB12.1 million), primarily due to (i) a recorded net exchange gain of RMB1.1 million (six months ended 30 June 2017: net exchange loss of RMB9.8 million) mainly arising from our Hong Kong dollar denominated financial assets; and (ii) a decrease in impairment loss on accounts receivables.

其他收入

本集團的其他收入主要包括銀行及其他利息收入、按公平值計入損益的金融資產／可供出售投資的收入、政府補貼、租金收入及其他。於二零一八年上半年，其他收入為人民幣28.5百萬元(截至二零一七年六月三十日止六個月：人民幣11.8百萬元)，同比增長約141.9%，主要是由於：(i)按公平值計入損益的金融資產／可供出售投資產生的收入增加至人民幣16.2百萬元(截至二零一七年六月三十日止六個月：人民幣2.4百萬元)；及(ii)因銀行及其他利息收入減少至人民幣5.6百萬元(截至二零一七年六月三十日止六個月：人民幣6.3百萬元)而部份抵銷，主要原因是平均銀行結餘減少。作為本集團為盡量提高閒置現金回報的現金管理的一部份，本集團投資於一家中國商業銀行發行的若干保本結構性存款產品、非上市基金以及證券投資基金(全部分類為按公平值計入損益的金融資產／可供出售投資)以獲取更高利息收入及回報，以便在不影響業務營運或資本開支的情況下利用剩餘資金賺取更高的回報率。

其他收益及虧損

本集團的其他收益及虧損主要包括匯兌收益／虧損淨額、出售物業、廠房及設備的虧損及應收賬款減值虧損。於二零一八年上半年，其他收益及虧損為淨收益人民幣0.25百萬元(截至二零一七年六月三十日止六個月：淨虧損人民幣12.1百萬元)，主要由於：(i)錄得主要由我們的港元計值金融資產產生的匯兌收益淨額人民幣1.1百萬元(截至二零一七年六月三十日止六個月：匯兌虧損淨額人民幣9.8百萬元)；及(ii)應收賬款減值虧損減少。

Management Discussion and Analysis

管理層討論及分析

Administrative Expenses

The administrative expenses of the Group primarily consisted of staff costs, repairs and maintenance expenses, office expenses, depreciation and amortisation, rental expenses, utilities expenses, entertainment and travelling expenses and other expenses. In the first half of 2018, administrative expenses amounted to RMB80.6 million (six months ended 30 June 2017: RMB58.4 million), representing a period-on-period increase of approximately 38.1%, primarily due to (i) an increase in administrative staff related costs to RMB32.4 million (six months ended 30 June 2017: RMB21.9 million) as a result of general salary increase and increase in number of administrative staff headcounts; (ii) an increase in building rentals and management fee to RMB10.6 million (six months ended 30 June 2017: RMB8.2 million) as a result of more sub-contracted service fees was paid to cope with business growth; and (iii) an increase in office and administration costs as well as other utilities expenses due to expansion of our operations and acquisition of Anhui Hualin during the period.

Finance Costs

No finance costs were recorded during both periods as the Group had no bank borrowing throughout those periods.

Income Tax Expenses

The income tax expenses of the Group primarily consisted of PRC enterprise income tax. In the first half of 2018, income tax expenses amounted to RMB26.8 million (six months ended 30 June 2017: RMB27.9 million), representing a period-on-period decrease of approximately 4.0%. The subsidiaries of the Group in the PRC are generally subject to income tax rate of 25% on their respective taxable income. Our effective tax rate in 2018 is 23.1% (six months ended 30 June 2017: 27.4%), the decrease is primarily due to certain investment income recorded in certain entities of our Group have not been taxable for tax purposes.

行政開支

本集團的行政開支主要包括員工成本、維修及保養開支、辦公室開支、折舊和攤銷、租金開支、水電開支、交際和交通開支以及其他開支。於二零一八年上半年，行政開支為人民幣80.6百萬元(截至二零一七年六月三十日止六個月：人民幣58.4百萬元)，同比增長約38.1%，主要由於：(i)行政員工相關成本增加至人民幣32.4百萬元(截至二零一七年六月三十日止六個月：人民幣21.9百萬元)，原因是總體薪金增加及行政人員增多；(ii)建築物租金和管理費增加至人民幣10.6百萬元(截至二零一七年六月三十日止六個月：人民幣8.2百萬元)，原因是支付更多分包服務費用以應付業務增長；及(iii)辦公及行政成本以及其他公共事業支出增加，原因是我們於期內擴大經營及收購安徽樺霖。

融資成本

於兩個期間均無錄得融資成本，原因為本集團於該等期間並無籌借銀行借款。

所得稅開支

本集團的所得稅開支主要包括中國企業所得稅。於二零一八年上半年，所得稅開支為人民幣26.8百萬元(截至二零一七年六月三十日止六個月：人民幣27.9百萬元)，同比減少約4.0%。本集團在中國境內之附屬公司一般須就其應課稅所得收入按25%之所得稅稅率繳納稅項。我們於二零一八年的實際稅率為23.1%(截至二零一七年六月三十日止六個月：27.4%)，減少主要是由於本集團若干實體入賬的部份投資收入毋須課稅。

Management Discussion and Analysis

管理層討論及分析

Profit for the Period

In the first half of 2018, profit attributable to the shareholders amounted to RMB85.6 million (six months ended 30 June 2017: RMB72.0 million), representing a period-on-period increase of approximately 18.9%.

FINANCIAL POSITION

Property, Plant and Equipment and Deposits Paid for Acquisition of Property, Plant and Equipment

During the six months ended 30 June 2018, the Group acquired property, plant and equipment and incurred expenditure on construction in progress of RMB24.5 million and RMB10.2 million, respectively, for the purpose of upgrading and expanding the service capacity of our hospital operations. The Group also acquired property, plant and equipment through acquisition of Anhui Hualin Group amounting to RMB9.5 million during the period. In addition, as at 30 June 2018, the Group has deposits paid for acquisition of property, plant and equipment amounting to RMB83.9 million (31 December 2017: RMB76.5 million). The deposits mainly represent amount paid for acquisition of new medical equipment and other new facilities as the Group continues to upgrade its medical facilities and expansion of operation capacity.

期內溢利

於二零一八年上半年，股東應佔溢利為人民幣85.6百萬元(截至二零一七年六月三十日止六個月：人民幣72.0百萬元)，同比增長約18.9%。

財務狀況

物業、廠房及設備以及就購買物業、廠房及設備支付的按金

截至二零一八年六月三十日止六個月，本集團購買物業、廠房及設備人民幣24.5百萬元及就在建工程產生支出人民幣10.2百萬元，以升級及擴大我們的醫院營運的服務能力。本集團於期內亦透過收購安徽樺霖集團而購入物業、廠房及設備人民幣9.5百萬元。此外，於二零一八年六月三十日，本集團就購買物業、廠房及設備支付按金人民幣83.9百萬元(二零一七年十二月三十一日：人民幣76.5百萬元)。按金主要指就購買新的醫療設備及其他新設施支付的款項，是由於本集團繼續升級醫療設施並擴充經營能力。

Management Discussion and Analysis

管理層討論及分析

Accounts and Other Receivables

The account receivables of the Group primarily consisted of balances due from social insurance funds, certain corporate customers and individual patients. As at 30 June 2018, accounts receivables increased to RMB141.7 million (31 December 2017: RMB95.0 million), of which 84.6% (31 December 2017: 90.5%) were aged within 90 days. Average accounts receivables turnover days for the current period is 29.0 days (six months ended 30 June 2017: 24.1 days). The increase in accounts receivables is primarily due to (i) expansion of our hospital's operation; and (ii) the newly acquired rehabilitation and other healthcare business operation during the current period.

The other receivables of the Group primarily consisted of prepayments to suppliers, loan receivables, deposit paid for an investment and interest receivables and others. As at 30 June 2018, other receivables increased to RMB220.8 million (31 December 2017: RMB124.5 million) primarily consist of and due to (i) at the end of the Reporting Period, the Group had unsecured loans of RMB100.0 million to a hospital which is managed by the Group, the loans are interest-bearing at fixed rate of 0.42% per month and repayable within twelve months from the end of the reporting period; (ii) an increase of interest receivables to RMB6.7 million (31 December 2017: RMB6.1 million) representing investment income from our financial assets at FVTPL/available-for-sale investments and interest income from loans granted to the Zhonglian Cardiovascular Hospital; (iii) a deposit paid for an investment of RMB81.0 million (31 December 2017: RMB5.0 million) in relation to our deposit paid for a potential acquisition of Zhonglian Cardiovascular Hospital; and (iv) increase of prepayments to suppliers to RMB13.2 million (31 December 2017: RMB5.3 million) due to increase in prepayments made to suppliers for purchase of pharmaceutical and other medical products as a result of expansion of our operations.

應收賬款及其他應收款項

本集團的應收賬款主要包括應收社保基金、若干公司客戶和個人病人的結餘。於二零一八年六月三十日，應收賬款增加至人民幣141.7百萬元(二零一七年十二月三十一日：人民幣95.0百萬元)，其中84.6%(二零一七年十二月三十一日：90.5%)的賬齡為90天內。本期間平均應收賬款周轉天數為29.0天(截至二零一七年六月三十日止六個月：24.1天)。應收賬款增加主要是由於本期間(i)我們的醫院擴大經營；及(ii)新購入康復及其他醫療業務。

本集團的其他應收款項主要包括對供應商的預付款、應收貸款、已付投資訂金和應收利息及其他。於二零一八年六月三十日，其他應收款項增至人民幣220.8百萬元(二零一七年十二月三十一日：人民幣124.5百萬元)，主要包括及由於：(i)本集團於報告期間結束時向其管理的一家醫院授出無抵押貸款人民幣100.0百萬元，這些貸款按固定利率每月0.42%計息，須於報告期結束後十二個月內償還；(ii)應收利息增加至人民幣6.7百萬元(二零一七年十二月三十一日：人民幣6.1百萬元)，指按公平值計入損益的金融資產／可供出售投資產生的投資收入及授予眾聯心血管病醫院的貸款所產生的利息收入；(iii)就一項投資支付按金人民幣81.0百萬元(二零一七年十二月三十一日：人民幣5.0百萬元)，乃與我們就可能收購眾聯心血管病醫院而支付的按金有關；及(iv)預付供應商款項增加至人民幣13.2百萬元(二零一七年十二月三十一日：人民幣5.3百萬元)，是由於為擴大業務而購買藥品及其他醫療產品，因此向供應商支付的預付款項增加。

Management Discussion and Analysis

管理層討論及分析

Accounts and Other Payables

The accounts and other payables of the Group primarily consisted of accounts payables, accrued expenses, construction payables, receipt in advance and others. As at 30 June 2018, accounts and other payables decreased to RMB405.8 million (31 December 2017: RMB412.6 million) primarily due to (i) increase in accounts payable to RMB286.9 million (31 December 2017: RMB275.6 million); (ii) decrease of accrued expenses to RMB37.2 million (31 December 2017: RMB68.9 million) mainly due to decrease in accrued staff salary and other operational and administrative charges at the interim date as compared with the year-end date; and (iii) increase in construction payable to RMB17.8 million (31 December 2017: RMB16.2 million) due to renovation work for the upgrade of our hospitals and other facilities.

Net Current Assets

As at 30 June 2018, the Group recorded net current assets of RMB709.5 million (31 December 2017: RMB757.6 million).

應付賬款及其他應付款項

本集團的應付賬款及其他應付款項主要包括應付賬款、應計開支、應付建設費、預收款項及其他。於二零一八年六月三十日，應付賬款及其他應付款項減少至人民幣405.8百萬元(二零一七年十二月三十一日：人民幣412.6百萬元)，主要由於：(i)應付賬款增加至人民幣286.9百萬元(二零一七年十二月三十一日：人民幣275.6百萬元)；(ii)應計開支減少至人民幣37.2百萬元(二零一七年十二月三十一日：人民幣68.9百萬元)，主要由於截至中期結算日的應計員工薪金及其他營運和行政費用較年度結算日減少；及(iii)應付建設費增加至人民幣17.8百萬元(二零一七年十二月三十一日：人民幣16.2百萬元)，是由於我們的醫院及其他設施的翻新工程升級。

流動資產淨值

於二零一八年六月三十日，本集團錄得流動資產淨值人民幣709.5百萬元(二零一七年十二月三十一日：人民幣757.6百萬元)。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND CAPITAL RESOURCES

Financial Resources

The Group continued to maintain a strong financial position with cash and cash equivalents of RMB294.7 million as at 30 June 2018 (31 December 2017: RMB383.8 million). The Group continues to generate steady cash inflow from operations and coupled with sufficient cash and bank balances, in the opinion of the directors of the Company, the Group will have adequate and sufficient liquidity and financial resources to meet the working capital requirement of the Group for at least the next twelve months from the end of the Reporting Period.

As at 30 June 2018, the Group had investments (classified as financial assets at FVTPL/available-for-sale investments) in aggregate of RMB535.1 million (31 December 2017: RMB559.3 million) primarily consisting of, (i) an unlisted fund of US\$2.5 million (equivalent to approximately RMB16.5 million) (31 December 2017: US\$2.5 million (equivalent to approximately RMB16.3 million)) representing an investment in equity securities of a private company in the PRC for a minimum term of three years for the purpose of capital gain, strategic long-term investment and potential cooperation in healthcare; (ii) portfolio investment fund of RMB57.8 million (31 December 2017: RMB51.2 million), representing an investment fund deposited with a discretionary fund manager in Hong Kong mandated to achieve appropriate return consistent with the Group's cash management policy. The portfolio included a mixture of cash and shares that are primarily listed in Hong Kong; and (iii) structured bank deposits of RMB460.7 million (31 December 2017: RMB491.8 million), representing principal-protected products issued by a PRC commercial bank.

流動資金及資本資源

財務資源

本集團於二零一八年六月三十日繼續維持強勁的財務狀況，現金及現金等價物達人民幣294.7百萬元(二零一七年十二月三十一日：人民幣383.8百萬元)。本集團繼續從經營活動產生穩定的現金流入，加上足夠的現金及銀行結餘，本公司董事認為，本集團將有足夠和充足的流動資金及財務資源，以滿足本集團於報告期間結束後至少未來十二個月的營運資金需求。

於二零一八年六月三十日，本集團作出投資(分類為按公平值計入損益的金融資產/可供出售投資)合共人民幣535.1百萬元(二零一七年十二月三十一日：人民幣559.3百萬元)，主要包括(i)非上市基金2.5百萬美元(相當於約人民幣16.5百萬元)(二零一七年十二月三十一日：2.5百萬美元(相當於約人民幣16.3百萬元))，指於中國一家私人公司的權益證券投資，期限最長為三年，以獲取資本收益、長期戰略投資及潛在醫療合作為目的；(ii)證券投資基金人民幣57.8百萬元(二零一七年十二月三十一日：人民幣51.2百萬元)，指授權存放至香港全權基金經理管理的投資基金，以達致符合本集團現金管理政策的適當回報。組合包括現金及主要在香港上市的股份；及(iii)結構性銀行存款人民幣460.7百萬元(二零一七年十二月三十一日：人民幣491.8百萬元)，指由一家中國商業銀行發行的保本產品。

Management Discussion and Analysis

管理層討論及分析

As part of the Group's cash management policy to manage excess cash, the Group purchases investment products from financial institutions to achieve higher interest income without interfering with business operations or capital expenditures. The Group carefully balances the risks and returns associated with the investment products when making the investment decisions. The senior management of the Group is closely involved in scrutinizing any decision of the Group to purchase investment products. The investment products should generally satisfy the following criteria; (i) its term should generally not exceed one year; (ii) it should not interfere with the Group's business operations or capital expenditures; (iii) it should be issued by a reputable bank which the Group has a long-term relationship, preferably exceeding five years; and (iv) the underlying investment portfolio should generally be low risk.

Cash Flow Analysis

The table below sets forth the information as extracted from the condensed consolidated statement of cash flow of the Group for the periods indicated:

作為本集團藉以管理超額現金的其中一項現金管理政策，本集團在不影響正常業務運作及資本支出的前提下，向金融機構購買理財投資產品，以管理超額現金並獲取更高的利息收益。本集團在制定相關投資決策時，會謹慎衡量投資產品的風險與收益。此外，本集團管理層亦密切參與有關購買投資產品的一切相關決策。本集團選擇的投資產品須符合以下幾項標準：(i) 其收益週期一般不超過一年；(ii) 其將不涉及本集團的正常業務運作或資本支出；(iii) 其應由與本集團有長期合作關係（一般超過5年）及具有良好信譽的銀行發行；及(iv) 其基礎投資組合應具低風險。

現金流量分析

下表載列從本集團於所示期間的簡明綜合現金流量表摘錄的資料：

		For the six months ended 30 June		
		截至六月三十日止六個月		
		2018	2017	
		二零一八年	二零一七年	
Change		RMB' 000	RMB' 000	
變動		人民幣千元	人民幣千元	
Net cash generated from operating activities	經營活動所得現金淨額	-44.6%	35,341	63,762
Net cash used in investing activities	投資活動所用現金淨額	-77.1%	(124,716)	(543,519)
Net cash used in financing activities	融資活動所用現金淨額	-89.2%	(243)	(2,254)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	-81.4%	(89,618)	(482,011)

Management Discussion and Analysis

管理層討論及分析

Net cash generated from operating activities

During the current period, the net cash generated from operating activities amounted to RMB35.3 million (six months ended 30 June 2017: RMB63.8 million), representing a period-on-period decrease of 44.6%, which was primarily due to (i) the increase in profit before taxation for the current period; (ii) changes in working capital including increase in accounts receivables; and (iii) settlement of prior year's staff salary and special bonuses in the current period.

Net cash used in investing activities

During the current period, net cash used in investing activities amounted to RMB124.7 million (six months ended 30 June 2017: RMB543.5 million), representing a period-on-period decrease of 77.1%, which was primarily due to (i) a deposit paid for a potential acquisition of RMB81.0 million; (ii) a net cash outflow arising from acquisition of Anhui Hualin Group of RMB51.1 million; (iii) increase in income received from financial assets at FVTPL/available-for-sale investments to RMB9.9 million (six months ended 30 June 2017: RMB2.4 million); and (iv) a decrease in cash flow in relation to purchase of financial assets at FVTPL/available-for-sale investments as compared to the prior period.

Net cash used in financing activities

During the current period, net cash used in financing activities amounted to RMB0.24 million (six months ended 30 June 2017: RMB2.25 million), representing a period-on-period decrease of 89.2%, which was due to the decrease in repayment of amount due to a shareholder. The Group had no outstanding bank or other borrowings during the current and prior interim period, thus, the Group had no significant financing cash outflow.

經營活動所得現金淨額

於本期間，經營活動所得現金淨額為人民幣35.3百萬元(截至二零一七年六月三十日止六個月：人民幣63.8百萬元)，同比減少44.6%，主要由於(i)本期間除稅前溢利增加；(ii)營運資金變動，包括應收賬款增加；及(iii)結算上一年及本期間的員工薪金及特別花紅。

投資活動所用現金淨額

於本期間，投資活動所用現金淨額為人民幣124.7百萬元(截至二零一七年六月三十日止六個月：人民幣543.5百萬元)，同比減少77.1%，主要由於(i)就一項可能進行的收購支付按金人民幣81.0百萬元；(ii)因收購安徽樺霖集團而產生現金流出淨額人民幣51.1百萬元；(iii)來自按公平值計入損益的金融資產／可供出售投資的收入增加至人民幣9.9百萬元(截至二零一七年六月三十日止六個月：人民幣2.4百萬元)；及(iv)與購買按公平值計入損益的金融資產／可供出售投資有關的現金流較上個期間減少。

融資活動所用現金淨額

於本期間，融資活動所用現金淨額為人民幣0.24百萬元(截至二零一七年六月三十日止六個月：人民幣2.25百萬元)，同比減少89.2%，原因是償還應付一名股東的款項減少。本集團於本中期期間及上一個中期期間並無任何未償還銀行或其他借款，因此本集團並無重大融資現金流出。

Management Discussion and Analysis

管理層討論及分析

Significant Investment, Acquisition and Disposal

Anhui Hualin Group - Rehabilitation and other Healthcare Services

During the current period, the Group successfully acquired 57% equity interest in Anhui Hualin by way of (i) an equity transfer of 49.71% equity interest in Anhui Hualin from the vendor, an independent third party, at a consideration of RMB58.66 million; and (ii) capital injection into Anhui Hualin by the Group on a non-rata basis of RMB20.0 million. Anhui Hualin directly and indirectly (through its wholly-owned subsidiary) holds sponsor interests in the managed and controlled entities, all of which are private non-enterprise entities in the PRC, including one class II rehabilitation hospital, one class I general hospital, nine rehabilitation centres for the disabled and one vocational training school in Anhui Province, the PRC.

Zhonglian Cardiovascular Hospital

In June 2016, following arm's length negotiations with Zhonglian Cardiovascular Hospital, the Group provided an unsecured loan in the amount of RMB50.0 million to Zhonglian Cardiovascular Hospital with a view to supporting its launch preparations and operating cash flow during its ramp-up period. The principal amount of the loan is repayable at the expiry of one year and carries a monthly interest rate of 0.42% to be settled monthly in arrears (the "June 2016 Loan").

As disclosed in the Company's announcement dated 12 December 2016, in December 2016, following arm's length negotiations with Zhonglian Cardiovascular Hospital, the Group provided an unsecured loan facility in the amount of RMB50 million to Zhonglian Cardiovascular Hospital, which could be drawdown in one or more tranches within two months. A monthly interest rate of 0.42% is payable by Zhonglian Cardiovascular Hospital monthly in arrears and the principal amount of each loan tranche is repayable by Zhonglian Cardiovascular Hospital at the expiry of 12 months from the relevant drawdown date. The loan amounts of RMB30.0 million and RMB20.0 million were drawdown by Zhonglian Cardiovascular Hospital in December 2016 (the "First Tranche December 2016 Loan") and February 2017 (the "Second Tranche December 2016 Loan"), respectively.

重大投資、收購及出售

安徽樺霖集團－康復及其他醫療服務

於本期間，本集團成功收購安徽樺霖57%股權，按以下方式進行：(i) 賣方(獨立第三方)根據股權轉讓以人民幣58.66百萬元的代價轉讓安徽樺霖49.71%股權；及(ii)本集團向安徽樺霖非按比例注資人民幣20.0百萬元。安徽樺霖直接及間接(透過其全資附屬公司)持有受管理及控制實體的舉辦者權益(均為中國民辦非企業單位)，包括中國安徽省一家二級康復醫院、一家一級綜合醫院、九家殘疾康復中心及一家職業培訓學校。

眾聯心血管病醫院

於二零一六年六月，經與眾聯心血管病醫院以公平原則進行磋商後，本集團向眾聯心血管病醫院提供人民幣50.0百萬元的無抵押貸款，旨在支持其投入運作的籌備和其擴大營運期間的經營現金流量。貸款的本金額在一年到期時償還，按月利率0.42%計息，每月於期後償付(「二零一六年六月貸款」)。

如本公司日期為二零一六年十二月十二日的公告所披露，於二零一六年十二月，經與眾聯心血管病醫院以公平原則進行磋商後，本集團向眾聯心血管病醫院提供人民幣50百萬元的無抵押貸款融資額度，該融資額度可於兩個月內一次性或分多次提取。月利率為0.42%，由眾聯心血管病醫院每月於期後償付，而每批貸款的本金由眾聯心血管病醫院於相關提取日期後滿12個月當日償還。眾聯心血管病醫院分別於二零一六年十二月及二零一七年二月提取人民幣30.0百萬元(「第一批二零一六年十二月貸款」)及人民幣20.0百萬元(「第二批二零一六年十二月貸款」)的貸款金額。

Management Discussion and Analysis

管理層討論及分析

In June 2017, the June 2016 Loan was renewed in the amount of RMB50.0 million and carries a monthly interest rate of 0.42% for another year. The First Tranche December 2016 Loan and Second Tranche December 2016 Loan were renewed in the amount of RMB30.0 million in December 2017 and RMB20.0 million in February 2018, respectively, and carry a monthly interest rate of 0.42% for another year.

During the six months ended 30 June 2018, the loans of RMB50,000,000 and RMB20,000,000 were renewed upon maturity at a fixed rate of 0.42% per month and repayable within twelve months from the drawdown date.

As at 30 June 2018, the total loan balance provided to Zhonglian Cardiovascular Hospital in aggregate amounted to RMB100.0 million (31 December 2017: RMB100.0 million). Such loan balance represented less than 6% of the assets ratio as defined under Rule 14.07(1) of the Hong Kong Listing Rules, taking in account of the Group's total assets position as at 30 June 2018.

Furthermore, during the current period, the Group entered into the acquisition agreement to acquire the 60% equity interest of Zhonglian Cardiovascular Hospital. The acquisition was completed on 31 July 2018 and Zhonglian Cardiovascular Hospital has become a non-wholly-owned subsidiary of the Company. As at 30 June 2018, the Group paid a deposit in respect of the acquisition amounting to RMB81.0 million. The Board considers that full integration and consolidation of Zhonglian Cardiovascular Hospital into the Group's operations will enable the Group to benefit from the operating prospects of Zhonglian Cardiovascular Hospital to a greater extent in the long term compared to a management arrangement.

Save as disclosed in this interim report, the Group had no significant investment, acquisition or disposal during the Reporting Period and there has not been any significant events since the end of the Reporting Period and up to the date of this interim report.

於二零一七年六月，二零一六年六月貸款續期一年，金額為人民幣50.0百萬元，按月利率0.42%計息。第一批二零一六年十二月貸款及第二批二零一六年十二月貸款已分別更新至二零一七年十二月的人民幣30.0百萬元及二零一八年二月的人民幣20.0百萬元，而另一年的每月利率為0.42%。

截至二零一八年六月三十日止六個月，貸款人民幣50,000,000元及人民幣20,000,000元於屆滿時按每月0.42%的固定利率續期，並須於提取日期起計十二個月內償還。

於二零一八年六月三十日，向眾聯心血管病醫院提供的貸款結餘總額合共為人民幣100.0百萬元(二零一七年十二月三十一日：人民幣100.0百萬元)。經計及本集團於二零一八年六月三十日的總資產狀況，該貸款結餘相當於少於6%的資產比率(定義見香港上市規則第14.07(1)條)。

此外，本集團於本期間訂立收購協議以收購眾聯心血管病醫院60%股權。收購於二零一八年七月三十一日完成，眾聯心血管病醫院成為本公司的非全資附屬公司。截至二零一八年六月三十日，本集團已就收購支付按金人民幣81.0百萬元。董事會認為，與現時的管理安排相比，將眾聯心血管病醫院全面整合及綜合計入本集團業務，將有助本集團長遠受惠於眾聯心血管病醫院的營運前景。

除本中期報告所披露者外，本集團於報告期間內並無任何重大投資、收購或出售，報告期結束起直至本中期報告之日亦無任何重大事項。

Management Discussion and Analysis

管理層討論及分析

Cash Management Activities

As part of the Group's cash management, the Group has from time to time invested into investment products issued by a reputable PRC commercial bank with terms ranging from 90-96 days and portfolio investment funds to achieve higher interest income without interfering with business operations or capital expenditures. The investment products are not rated by any credit agency but is classified as low-risk by the issuing bank and listed securities with low risk profile. The Group carefully balances the risks and returns associated with the investment products when making the investment decisions. The senior management of the Group is closely involved in scrutinizing any decision of the Group to purchase investment products.

Save as disclosed in this interim report, the Group had no significant investment, acquisition or disposal during the Reporting Period and there had not been any significant event since the end of the Reporting Period and up to the date of this interim report.

Capital Expenditure

The Group regularly makes capital expenditures to expand its operations, maintain its medical facilities and improve its operating efficiency. Capital expenditure primarily consists of purchases of property, plant and equipment. The capital expenditure of the Group in the first half of 2018 was RMB34.8 million (six months ended 30 June 2017: RMB25.1 million). The Group has financed its capital expenditure through cash flows generated from operating activities.

現金管理活動

作為本集團現金管理的一部份，本集團不時投資至由一家聲譽良好的中國商業銀行發行期限介乎90至96天的投資產品及證券投資基金，在不影響業務運作或資本開支的前提下，以獲取更高的利息收益。投資產品未獲任何信貸評級機構評級，但由發行銀行分類為低風險，以及低風險的上市證券。本集團在制定相關投資決策時，會謹慎衡量投資產品的風險與收益。本集團高級管理層亦密切參與有關購買投資產品的一切相關決策。

除本中期報告所披露者外，本集團於報告期間內並無重大投資、收購或出售，報告期結束起直至本中期報告刊發日期亦無任何重大事件。

資本開支

本集團定期作出資本開支以擴大營運、維持醫療設施並提高經營效率。資本開支主要包括購買物業、廠房及設備。本集團於二零一八年上半年的資本開支為人民幣34.8百萬元(截至二零一七年六月三十日止六個月：人民幣25.1百萬元)。本集團以通過經營活動所得現金流量為資本開支提供資金。

Management Discussion and Analysis

管理層討論及分析

USE OF PROCEED FROM THE INITIAL PUBLIC OFFERING

The Company's H shares were listed on the Hong Kong Stock Exchange on 8 November 2016. The Company's net proceeds from the initial public offering of its H shares amounts to approximately RMB782.6 million (equivalently to approximately HK\$874.9 million) after deducting underwriting commissions and all related expenses. The net proceeds from the initial public offering have been and will be utilised in accordance with the purposes set out in the Prospectus.

Up to 30 June 2018, of the net proceeds from the initial public offering, (i) RMB33.8 million, representing approximately 4.3% of the net proceeds, has been utilised and used as general working capital; (ii) RMB15.0 million, representing approximately 1.9% of the net proceeds, has been utilised and used on expansion of our current operations and upgrading our hospital's facilities; and (iii) RMB97.2 million, representing approximately 12.4% of the net proceeds, has been utilised and used for acquisition and potential acquisition of businesses. As at 30 June 2018, out of the balance of the unutilised net proceeds of RMB636.7 million, RMB535.1 million has been used to purchase certain financial products (classified as financial assets at FVTPL/available-for-sale investments) to achieve higher interest income and capital return without interfering with our business operations or capital expenditures to earn better return on our excess cash balance, and the remaining balance has been kept at the bank accounts of the Group (included in bank balances and cash). As at the date of this interim report, the Company does not anticipate any material change to its plan on the use of proceeds as stated in the Prospectus.

INDEBTEDNESS

Bank Loans

As at 30 June 2018, the Group had no bank borrowings (31 December 2017: nil). As at 30 June 2018, the Group had no banking facilities (31 December 2017: nil).

首次公開發售所得款項用途

本公司H股於二零一六年十一月八日於香港聯交所上市。本公司於扣除包銷佣金及所有相關費用後，首次公開發售H股所得款項淨額約為人民幣782.6百萬元(相等於約874.9百萬港元)。首次公開發售所得款項淨額已按照並將持續按照本公司招股章程所載用途使用。

截至二零一八年六月三十日，首次公開發售所得款項淨額中(i)人民幣33.8百萬元(佔所得款項淨額約4.3%)已被動用並用作一般營運資金；(ii)人民幣15.0百萬元(佔所得款項淨額約1.9%)已被動用並用於擴大現有業務及升級醫院設施；及(iii)人民幣97.2百萬元(佔所得款項淨額約12.4%)已被動用並用於業務收購及潛在收購。於二零一八年六月三十日，尚未動用所得款項淨額結餘人民幣636.7百萬元中，人民幣535.1百萬元已被用於購買若干金融產品(分類為按公平值計入損益的金融資產/可供出售投資)，以獲得較高的利息收入及資本回報，而不會干擾我們的業務營運或產生資本開支並就我們的超額現金結餘賺取更好的回報，以及餘額乃存於本集團的銀行賬戶(計入銀行結餘及現金)。於本中期報告日期，本公司預計招股章程所述所得款項使用計劃不會發生任何重大變動。

債項

銀行貸款

於二零一八年六月三十日，本集團並無銀行借款(二零一七年十二月三十一日：無)。於二零一八年六月三十日，本集團並無銀行融資額度(二零一七年十二月三十一日：無)。

Management Discussion and Analysis

管理層討論及分析

Contingent Liabilities

The Group is subject to legal proceedings and claims in the ordinary of business primarily arising from medical disputes brought on by patients. Provision for medical disputes is made based on the status of potential and active claims outstanding as at the end of the relevant period, and primarily taking into account any judicial appraisal or court determination against the Group. As at 30 June 2018, the total stated claim amount of the Group's on-going medical disputes was approximately RMB8.2 million (31 December 2017: RMB7.1 million) and there were certain medical disputes without claim amount stated. Based on the Group's assessment, during the six months ended 30 June 2018, approximately RMB0.8 million (six months ended 30 June 2017: RMB0.4 million) had been provided and included in accounts and other payables of the Group.

As at 30 June 2018, the Group had no contingent liabilities or guarantees that would have a material impact on the financial position or operation of the Group.

Pledge of Assets

As at 30 June 2018, none of the Group's assets had been pledged (31 December 2017: none).

Contractual Obligations

The contractual obligations of the Group primarily consisted of operating lease commitments and capital commitments.

The operating lease commitments of the Group were primarily attributable to the lease of the land and buildings underlying the Group's hospitals and rehabilitation centres operations. As at 30 June 2018, the future aggregate minimum lease payments under non-cancellable lease agreements were RMB281.8 million (31 December 2017: RMB270.7 million).

或然負債

本集團受制於法律訴訟及於日常業務過程中由病人提出的醫療糾紛索賠。醫療糾紛的撥備是根據有關期間結束時可能和尚未了結的進行中索賠個案狀況而作出，主要考慮本集團將面臨的任何司法判決或法院裁決。於二零一八年六月三十日，本集團尚未了結的醫療糾紛索賠總額約為人民幣8.2百萬元（二零一七年十二月三十一日：人民幣7.1百萬元），而有部份醫療糾紛未有列明索賠金額。根據本集團作出的評估，截至二零一八年六月三十日止六個月，本集團已作出約人民幣0.8百萬元（截至二零一七年六月三十日止六個月：人民幣0.4百萬元）的撥備，並計入本集團的應付賬款及其他應付款項中。

於二零一八年六月三十日，本集團並無會對本集團的財務狀況或經營產生重大影響的或然負債或擔保。

資產質押

於二零一八年六月三十日，本集團並無資產已被質押（二零一七年十二月三十一日：無）。

合同義務

本集團的合同義務主要包括經營租賃承諾和資本承諾。

本集團經營租賃承擔主要歸因於租賃本集團醫院及康復中心營運相關的土地及建築物。於二零一八年六月三十日，根據不可撤銷租賃協議計算之未來最低租賃付款總額為人民幣281.8百萬元（二零一七年十二月三十一日：人民幣270.7百萬元）。

Management Discussion and Analysis

管理層討論及分析

The capital commitments of the Group were primarily attributable to construction costs relating to the expansion and renovation of the Group's medical facilities. As at 30 June 2018, the capital commitments in respect of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements were RMB79.4 million (31 December 2017: RMB82.8 million).

Financial Instruments

The Group's financial instruments primarily consisted of accounts and other receivables, financial assets at FVTPL/available-for-sale investments, bank balances and cash, restricted bank balances, accounts and other payables and amounts due to a shareholder. The management of the Company manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Exposure to fluctuation in Exchange rates

The proceeds raised by the Company in its initial public offering of its H Shares is denominated in Hong Kong dollars. The Group deposits certain of its financial assets in Hong Kong dollars, and is mainly exposed to fluctuation in exchange rates of Hong Kong dollars against RMB. The Group is therefore exposed to foreign exchange risk.

The Group has not used any derivatives financial instruments to hedge against its exposure to currency risk. The management manages the currency risk by closely monitoring the movement of the foreign currency rates and will consider hedging significant foreign currency exposure should such need arise.

Gearing Ratio

As at 30 June 2018, the Group's gearing ratio (total interest-bearing bank loans divided by total equity and multiplied by 100%) was zero (2017: zero).

本集團的資本承擔主要歸因於與本集團醫療設施擴建及翻新有關的建築成本。於二零一八年六月三十日，本集團已訂約但未於簡明綜合財務報表撥備之物業、廠房及設備的資本承擔為人民幣79.4百萬元(二零一七年十二月三十一日：人民幣82.8百萬元)。

金融工具

本集團的金融工具主要包括應收賬款及其他應收款項、按公平值計入損益的金融資產／可供出售投資、銀行結餘及現金、受限制銀行結餘、應付賬款及其他應付款項及應付股東款項。本公司管理層管理和監控這些風險承擔，以確保及時有效地採取適當措施。

匯率波動風險

本公司H股首次公開發售所募集的所得款項以港元計值。本集團以港元存放部份金融資產，主要受港元兌人民幣匯率波動的影響。因此，本集團面臨外匯風險。

本集團並未應用任何衍生金融工具對沖其貨幣風險承擔。管理層通過密切監測外幣匯率的變動來管理貨幣風險，並將考慮在有需要時就重大外幣承擔進行對沖。

資產負債比率

於二零一八年六月三十日，本集團之資產負債比率(計息銀行貸款總額除以總權益並乘以100%)為零(二零一七年：零)。

Corporate Governance Highlights

企業管治概覽

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2018 (six months ended 30 June 2017: nil).

REPURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this interim report, there was no significant event after the Reporting Period.

REVIEW OF INTERIM REPORT

The Company's audit committee has reviewed the Group's interim results and the interim report for the six months ended 30 June 2018 and has opined that applicable accounting standards and requirements have been complied with and that adequate disclosures have been made by the Company.

The Company's audit committee consists of three independent non-executive directors of the Company, Mr. Chan Sing Nun (the chairman of the audit committee), Mr. Yeung Ming Lai and Dr. Chen Keji. Among them, Mr. Chan Sing Nun has the appropriate professional qualifications (a certified public accountant accredited by the Hong Kong Institute of Certified Public Accountants).

The auditor of the Company has also reviewed the Group's interim results for the six months ended 30 June 2018 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

中期股息

董事會不建議派付截至二零一八年六月三十日止六個月的中期股息(截至二零一七年六月三十日止六個月：無)。

購回、出售或贖回本公司證券

於報告期內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

報告期後事項

除本中期報告所披露者外，報告期後並無任何重大事項。

審閱中期報告

本公司審核委員會已審閱本集團截至二零一八年六月三十日止六個月之中期業績及中期報告，並認為本公司已遵守適用會計準則及要求並已作出充分披露。

本公司審核委員會由本公司三名獨立非執行董事，即陳星能先生(審核委員會主席)、楊銘澧先生及陳可冀醫生組成。其中陳星能先生具有適當的專業資格(由香港會計師公會認可的執業會計師)。

本公司核數師亦已按照香港會計師公會頒佈的香港審閱工作準則第2410號「由實體的獨立核數師執行中期財務資料審閱」審閱本集團截至二零一八年六月三十日止六個月之中期業績。

Corporate Governance Highlights

企業管治概覽

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance practices. The Board is of the opinion that the Company has complied with the applicable code provisions under the CG Code during the six months ended 30 June 2018.

The Board is committed to promote good corporate governance to safeguard the interests of the Shareholders and believes that maintaining a high standard of corporate governance is essential to the success of the Company and would provide a practice enhancing greater accountability and transparency and meeting the expectations of the Group's stakeholders. The Company will continue to review and enhance its corporate governance to ensure that it will continue to meet the applicable requirements of the CG Code.

CHANGES IN INFORMATION OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES

Since 1 January 2018, there has been no change in information required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE HONG KONG LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Hong Kong Listing Rules.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as a code of conduct of the Company for Directors' and Supervisors' securities transactions. Having made specific enquiry of all Directors and Supervisors, the Directors and the Supervisors have complied with the required standard set out in the Model Code during the six months ended 30 June 2018. Employees who are, or likely to be, in possession of unpublished inside information in relation to the Company or the Shares are prohibited from dealing in the Shares during the black-out period.

企業管治

本公司致力於維持高水平的企業管治常規。董事會認為，本公司於截至二零一八年六月三十日止之六個月期間，已遵守企業管治守則之適用守則條文。

董事會致力推動良好的企業管治，以保障股東的利益，亦相信維持高水平的企業管治乃本公司的成功要素，有助建立高度問責及透明的常規，以達致本集團各利益相關者的期望。本公司將繼續審閱及提升其企業管治，確保其繼續符合企業管治守則的適用規定。

董事、監事及行政總裁資料的變更

自二零一八年一月一日以來，根據香港上市規則第13.51B(1)條，概無資料變更須予披露。

根據香港上市規則持續披露責任

本公司並無香港上市規則第13.20、13.21及13.22條項下的任何其他披露責任。

標準守則的合規

本公司已採納標準守則作為本公司董事和監事進行證券交易的行為守則。經向所有董事及監事作出具體查詢後，截至二零一八年六月三十日止之六個月期間，已遵守標準守則規定的所需標準。凡已經或可能管有未發佈有關本公司或股份內幕消息的僱員，一概不得於禁止交易期間買賣股份。

Corporate Governance Highlights

企業管治概覽

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our appreciation to the management team and staff of the Group for their contribution and also to extend my sincere gratitude to all our shareholders and business partners for their continuous support.

For and on behalf of the Board

Wang Junyang

Chairman

Dongguan, the PRC

31 August 2018

致謝

本人謹代表董事會藉此機會對本集團管理團隊及員工作出的貢獻表示感謝，同時對全體股東及業務夥伴的持續支持表示誠摯的感謝。

代表董事會

王君揚

主席

中國·東莞

二零一八年八月三十一日

DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30 June 2018, the interests and short positions of the Directors, the Supervisors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she were taken or deemed to have under such provisions of the SFO), or as recorded in the register maintained by the Company under section 352 of the SFO, or as notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code were as follows:

董事、監事及最高行政人員於證券之權益

於二零一八年六月三十日，本公司董事、監事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯交所的權益及淡倉(包括彼等根據證券及期貨條例之該等條文被視為或被當作擁有的權益及淡倉)，或須列入由本公司按證券及期貨條例第352條存置之登記冊內，或根據標準守則須知會本公司及香港聯交所的權益及淡倉如下：

Other Information

其他資料

(a) The Company

(a) 本公司

Name of Director 董事姓名	Class of Shares 股份類別	Nature of interest 權益性質	Number of Shares 股份數目	Approximate percentage in Shares of the same class ⁽⁵⁾ 相同類別 股份所佔 概約百分比 ⁽⁵⁾	Approximate percentage of the Company's total issued share capital ⁽⁵⁾ 佔本公司 已發行股本 總額概約 百分比 ⁽⁵⁾
Mr. Wang Junyang 王君揚先生	Domestic Shares 內資股	Interest of a party to an agreement regarding interest in the Company ⁽¹⁾ ; interest in a controlled corporation ⁽²⁾ 有關於本公司權益的協議作為權益的一方 ⁽¹⁾ ；於受控制法團的權益 ⁽²⁾	250,000,000 (Long position) (好倉)	100%	74.76%
Mr. Chen Wangzhi 陳旺枝先生	Domestic Shares 內資股	Interest of a party to an agreement regarding interest in the Company ⁽¹⁾ ; interest in a controlled corporation ⁽³⁾ ; family interest of spouse ⁽⁴⁾ 有關於本公司權益的協議作為權益的一方 ⁽¹⁾ ；於受控制法團的權益 ⁽³⁾ ；配偶的家族權益 ⁽⁴⁾	250,000,000 (Long position) (好倉)	100%	74.76%
Ms. Wang Aiqin 王愛勤女士	Domestic Shares 內資股	Interest of a party to an agreement regarding interest in the Company ⁽¹⁾ ; interest in a controlled corporation ⁽³⁾ ; family interest of spouse ⁽⁴⁾ 有關於本公司權益的協議作為權益的一方 ⁽¹⁾ ；於受控制法團的權益 ⁽³⁾ ；配偶的家族權益 ⁽⁴⁾	250,000,000 (Long position) (好倉)	100%	74.76%

Other Information

其他資料

Notes:

- (1) Pursuant to a concert party agreement, each of Mr. Wang Junyang, Ms. Wang Aici, Mr. Chen Wangzhi and Ms. Wang Aiqin has agreed to jointly control their respective interests in the Company and the decisions as to the business and operations of the Group shall be in accordance with the unanimous consent of all of them. Therefore, each of them is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO.
- (2) As at 30 June 2018, Kanghua Group (held as to 97.46% by Mr. Wang Junyang) held 197,500,000 Domestic Shares and Xingye Group (held as to 80% by Mr. Wang Junyang) held 25,000,000 Domestic Shares. As Mr. Wang Junyang controls more than one third of the voting power at the general meeting of each of Kanghua Group and Xingye Group, Mr. Wang Junyang is deemed to be interested in the same number of Shares in which each of Kanghua Group and Xingye Group is interested by virtue of the SFO.
- (3) As at 30 June 2018, Xingda Property (held as to 50% each by Mr. Chen Wangzhi and Ms. Wang Aiqin) held 27,500,000 Domestic Shares. As each of Mr. Chen Wangzhi and Ms. Wang Aiqin controls more than one third of the voting power at the general meeting of Xingda Property, each of Mr. Chen Wangzhi and Ms. Wang Aiqin is deemed to be interested in the same number of Shares in which Xingda Property is interested by virtue of the SFO.
- (4) As Mr. Chen Wangzhi and Ms. Wang Aiqin are husband and wife, each of them is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO.
- (5) The shareholding percentages are calculated on the basis of 250,000,000 Domestic Shares and 84,394,000 H Shares issued by the Company as at 30 June 2018.

附註：

- (1) 根據一項一致行動協議，王君揚先生、王愛慈女士、陳旺枝先生及王愛勤女士均同意共同控制其各自於本公司的權益，而就本集團業務及營運的決定應當作上述人士一致同意。因此，基於證券及期貨條例，上述各方視為於其持有的所有股份擁有權益。
- (2) 於二零一八年六月三十日，康華集團(王君揚先生持有97.46%)持有197,500,000股內資股，而興業集團(王君揚先生持有80%)持有25,000,000股內資股。由於王君揚先生於康華集團及興業集團各自的股東大會上控制超過三分之一的投票權，基於證券及期貨條例，王君揚先生被視為於康華集團及興業集團各自擁有的相同數目股份擁有權益。
- (3) 於二零一八年六月三十日，興達物業(陳旺枝先生及王愛勤女士分別各自持有50%)持有27,500,000股內資股。由於陳旺枝先生及王愛勤女士在興達物業的股東大會上控制超過三分之一的投票權，基於證券及期貨條例，陳旺枝先生及王愛勤女士被視為於興達物業擁有的相同數目股份擁有權益。
- (4) 由於陳旺枝先生及王愛勤女士均為丈夫及妻子，故基於證券及期貨條例，其均被視為於其所持有的所有股份中擁有權益。
- (5) 持股比例以本公司於二零一八年六月三十日發行的250,000,000股內資股及84,394,000股H股計算。

Other Information

其他資料

(b) Associated corporations of the Company

(b) 本公司相聯法團

Name of Director 董事姓名	Associated corporation 相聯法團	Nature of interest 權益性質	Approximate percentage interest in the associated corporation 佔相聯法團 權益概約百分比
Mr. Wang Junyang 王君揚先生	Kanghua Group 康華集團	Beneficial owner 實益擁有人	97.46%
Mr. Wang Junyang 王君揚先生	Xingye Group 興業集團	Beneficial owner 實益擁有人	80%
Mr. Chen Wangzhi 陳旺枝先生	Xingda Property 興達物業	Beneficial owner; family interest of spouse 實益擁有人；配偶的家族權益	100%
Ms. Wang Aiqin 王愛勤女士	Xingda Property 興達物業	Beneficial owner; family interest of spouse 實益擁有人；配偶的家族權益	100%

Save as disclosed above, as at 30 June 2018, to the knowledge of the Board, none of the Directors, the Supervisors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors, the Supervisors and chief executives of the Company were taken or deemed to have under such provisions of the SFO); (ii) recorded in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一八年六月三十日，據董事會所知，概無本公司董事、監事及行政總裁於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有(i)根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯交所的權益及淡倉（包括彼等根據證券及期貨條例之該等條文被視為或被當作擁有的權益及淡倉）；(ii)須列入由本公司按證券及期貨條例第352條存置之登記冊內；或(iii)根據標準守則須知會本公司及香港聯交所。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2018, according to the register kept by the Company pursuant to Section 336 of the SFO and so far is known to, or can be ascertained after reasonable enquiry by the Directors, the following person/entity had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Hong Kong Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or be directly and indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote on all circumstances at general meetings of the Company:

(a) Interests in the Shares of the Company

Name 姓名／名稱	Class of Shares 股份類別	Nature of interest 權益性質	Number of Shares 股份數目	Approximate percentage in Shares of the same class 相同類別 股份所佔 概約百分比	Approximate percentage of the Company's total issued share capital 佔本公司 已發行股本 總額概約 百分比
Mr. Wang Junyang 王君揚先生	Domestic Shares 內資股	Interest of a party to an agreement regarding interest in the Company ⁽¹⁾ ; interest in a controlled corporation ⁽²⁾ 有關於本公司權益的協議作為權益的一方 ⁽¹⁾ ；於受控制法團的權益 ⁽²⁾	250,000,000 (Long position) (好倉)	100%	74.76%
Ms. Wang Aici 王愛慈女士	Domestic Shares 內資股	Interest of a party to an agreement regarding interest in the Company ⁽¹⁾ 有關於本公司權益的協議作為權益的一方 ⁽¹⁾	250,000,000 (Long position) (好倉)	100%	74.76%
Kanghua Group 康華集團	Domestic Shares 內資股	Beneficial owner 實益擁有人	197,500,000 (Long position) (好倉)	79%	59.06%

主要股東的權益

於二零一八年六月三十日，按照本公司根據證券及期貨條例第336條存置的登記冊，及據目前為止已知或可經向董事作出合理查詢後確定，以下人士／實體於股份或相關股份中擁有權益或淡倉根據證券及期貨條例第XV部第2及3分部之條文須向本公司及香港聯交所披露，或直接或間接擁有於本公司股東大會上在任何情況下有權投票的任何類別股本中面值5%或以上的權益：

(a) 於本公司股份的權益

Other Information

其他資料

Name 姓名／名稱	Class of Shares 股份類別	Nature of interest 權益性質	Number of Shares 股份數目	Approximate percentage in Shares of the same class 相同類別 股份所佔 概約百分比	Approximate percentage of the Company's total issued share capital 佔本公司 已發行股本 總額概約 百分比
Xingye Group 興業集團	Domestic Shares 內資股	Beneficial owner 實益擁有人	25,000,000 (Long position) (好倉)	10%	7.48%
Mr. Chen Wangzhi 陳旺枝先生	Domestic Shares 內資股	Interest of a party to an agreement regarding interest in the Company ⁽¹⁾ ; interest in a controlled corporation ⁽³⁾ ; family interest of spouse ⁽⁴⁾ 有關於本公司權益的協議作為權益的一方 ⁽¹⁾ ；於受控制法團的權益 ⁽³⁾ ；配偶的家族權益 ⁽⁴⁾	250,000,000 (Long position) (好倉)	100%	74.76%
Ms. Wang Aiqin 王愛勤女士	Domestic Shares 內資股	Interest of a party to an agreement regarding interest in the Company ⁽¹⁾ ; interest in a controlled corporation ⁽³⁾ ; family interest of spouse ⁽⁴⁾ 有關於本公司權益的協議作為權益的一方 ⁽¹⁾ ；於受控制法團的權益 ⁽³⁾ ；配偶的家族權益 ⁽⁴⁾	250,000,000 (Long position) (好倉)	100%	74.76%
Xingda Property 興達物業	Domestic Shares 內資股	Beneficial owner 實益擁有人	27,500,000 (Long position) (好倉)	11%	8.22%
Mr. Xie Zhikun ("Mr. Xie") 解直錕先生(「解先生」)	H Shares H股	Interest in a controlled corporation ⁽⁵⁾ 於受控制法團的權益 ⁽⁵⁾	20,055,800 (Long position) (好倉)	23.76%	6.00%

Other Information 其他資料

Name 姓名／名稱	Class of Shares 股份類別	Nature of interest 權益性質	Number of Shares 股份數目	Approximate percentage in Shares of the same class 相同類別 股份所佔 概約百分比	Approximate percentage of the Company's total issued share capital 佔本公司 已發行股本 總額概約 百分比
Zhonghai Chengfeng (Beijing) Asset Management Co., Ltd. ("Zhonghai Chengfeng") 中海晟豐(北京)資本管理有限公司 (「中海晟豐」)	H Shares H 股	Interest in a controlled corporation ⁽⁵⁾ 於受控制法團的權益 ⁽⁵⁾	20,055,800 (Long position) (好倉)	23.76%	6.00%
Zhonghai Chengrong (Beijing) Asset Management Co., Ltd. ("Zhonghai Chengrong") 中海晟融(北京)資本管理有限公司 (「中海晟融」)	H Shares H 股	Interest in a controlled corporation ⁽⁵⁾ 於受控制法團的權益 ⁽⁵⁾	20,055,800 (Long position) (好倉)	23.76%	6.00%
Zhongzhi Investment Management Co., Ltd. ("Zhongzhi Investment") 中植投資管理有限公司(「中植投資」)	H Shares H 股	Interest in a controlled corporation ⁽⁵⁾ 於受控制法團的權益 ⁽⁵⁾	20,055,800 (Long position) (好倉)	23.76%	6.00%
Huzhou Zhongze Taifu Investment Co., Ltd. ("Huzhou Zhongze") 湖州中澤泰富投資有限公司 (「湖州中澤」)	H Shares H 股	Interest in a controlled corporation ⁽⁵⁾ 於受控制法團的權益 ⁽⁵⁾	20,055,800 (Long position) (好倉)	23.76%	6.00%
Huzhou Feipeng Capital Management Co., Ltd. ("Huzhou Feipeng") 湖州飛鵬資本管理有限公司 (「湖州飛鵬」)	H Shares H 股	Beneficial owner 實益擁有人	20,055,800 (Long position) (好倉)	23.76%	6.00%

Other Information

其他資料

Name 姓名／名稱	Class of Shares 股份類別	Nature of interest 權益性質	Number of Shares 股份數目	Approximate percentage in Shares of the same class 相同類別 股份所佔 概約百分比	Approximate percentage of the Company's total issued share capital 佔本公司 已發行股本 概約百分比
New China Asset Management (Hong Kong) Limited 新華資產管理(香港)有限公司	H Shares H股	Investment manager 投資經理	8,689,000 (Long position) (好倉)	10.30%	2.60%
Lin Lijun ("Mr. Lin") 林利軍(「林先生」)	H Shares H股	Interest in a controlled corporation ⁽⁶⁾ 於受控制法團的權益 ⁽⁶⁾	11,146,200 (Long position) (好倉)	13.21%	3.33%
LVC Assets Management Limited	H Shares H股	Interest in a controlled corporation ⁽⁶⁾ 於受控制法團的權益 ⁽⁶⁾	11,146,200 (Long position) (好倉)	13.21%	3.33%
LVC KH Investment L.P.	H Shares H股	Beneficial owner 實益擁有人	11,146,200 (Long position) (好倉)	13.21%	3.33%
Haitian (HK) Holdings Limited (formerly named as "Haitian (HK) Financial Development Limited") 海天(香港)控股有限公司(前命名 為「海天(香港)金融發展有限公司」)	H Shares H股	Beneficial owner 實益擁有人	5,052,600 (Long position) (好倉)	5.98%	1.51%
Zhan Yongxiang 詹永祥	H Shares H股	Beneficial owner 實益擁有人	5,021,966 (Long position) (好倉)	5.95%	1.50%
Mr. Wang Mingsong 王明松先生	H Shares H股	Interest in a controlled corporation ⁽⁷⁾ 於受控制法團的權益 ⁽⁷⁾	4,880,000 (Long position) (好倉)	5.78%	1.46%
Bo An Investments Pte. Ltd. ("Bo An Investments") 博安投資私人有限公司(「博安投資」)	H Shares H股	Interest in a controlled corporation ⁽⁷⁾ 於受控制法團的權益 ⁽⁷⁾	4,880,000 (Long position) (好倉)	5.78%	1.46%
Huaxia International Company Limited ("Huaxia International") 華夏國際有限公司(「華夏國際」)	H Shares H股	Beneficial owner 實益擁有人	4,880,000 (Long position) (好倉)	5.78%	1.46%

Other Information

其他資料

Notes:

- (1) Pursuant to a concert party agreement, each of Mr. Wang Junyang, Ms. Wang Aici, Mr. Chen Wangzhi and Ms. Wang Ai Qin has agreed to jointly control their respective interests in the Company and the decisions as to the business and operations of the Group shall be in accordance with the unanimous consent of all of them. Therefore, each of them is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO.
- (2) Mr. Wang Junyang holds 97.46% and 80% in Kanghua Group and Xingye Group, respectively. As Mr. Wang Junyang controls more than one third of the voting power at the general meeting of each of Kanghua Group and Xingye Group, Mr. Wang Junyang is deemed to be interested in the same number of Shares in which each of Kanghua Group and Xingye Group is interested by virtue of the SFO.
- (3) Each of Mr. Chen Wangzhi and Ms. Wang Ai Qin holds 50% in Xingda Property. As each of Mr. Chen Wangzhi and Ms. Wang Ai Qin controls more than one third of the voting power at the general meeting of Xingda Property, each of Mr. Chen Wangzhi and Ms. Wang Ai Qin is deemed to be interested in the same number of Shares in which Xingda Property is interested by virtue of the SFO.
- (4) As Mr. Chen Wangzhi and Ms. Wang Ai Qin are husband and wife, each of them is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO.
- (5) Mr. Xie holds 99.80% in Zhonghai Chengfeng, which in turn holds 100% in Zhonghai Chengrong, which in turn holds 100% in Zhongzhi Investment, which in turn holds 100% in Huzhou Zhongze, which in turn holds 100% in Huzhou Feipeng. Each of Mr. Xie, Zhonghai Chengfeng, Zhonghai Chengrong, Zhongzhi Investment and Huzhou Zhongze is deemed to be interested in the same number of Shares in which Huzhou Feipeng is interested by virtue of the SFO.
- (6) Mr. Lin holds 100% in LVC Assets Management Limited, which in turn controls LVC KH Investment L.P. Each of Mr. Lin and LVC Assets Management Limited is deemed to be interested in the same number of Shares in which LVC KH Investment L.P. is interested by virtue of SFO.
- (7) Mr. Wang Mingsong holds 100% in Bo An Investments, which in turns holds 100% in Huaxia International. Each of Mr. Wang Mingsong and Bo An Investments is deemed to be interested in the same number of Shares in which Huaxia International is interested by virtue of the SFO.

附註：

- (1) 根據一項一致行動協議，王君揚先生、王愛慈女士、陳旺枝先生及王愛勤女士均同意共同控制其各自於本公司的權益，而就本集團業務及營運的決定應當作上述人士一致同意。因此，基於證券及期貨條例，上述各方視為於其持有的所有股份擁有權益。
- (2) 王君揚先生分別持有康華集團及興業集團97.46%及80%。由於王君揚先生於康華集團及興業集團各自的股東大會上控制超過三分之一的投票權，基於證券及期貨條例，王君揚先生被視為於康華集團及興業集團各自擁有的相同數目股份擁有權益。
- (3) 陳旺枝先生及王愛勤女士各自持有興達物業50%的股份。由於陳旺枝先生及王愛勤女士在興達物業的股東大會上控制超過三分之一的投票權，基於證券及期貨條例，陳旺枝先生及王愛勤女士被視為於興達物業擁有的相同數目股份擁有權益。
- (4) 由於陳旺枝先生及王愛勤女士均為丈夫及妻子，故基於證券及期貨條例，其均被視為於其所持有的所有股份中擁有權益。
- (5) 解先生持有中海晟豐99.80%，而中海晟豐持有中海晟融100%，而中海晟融持有中植投資100%，而中植投資持有湖州中澤100%，而湖州中澤持有湖州飛鵬100%。基於證券及期貨條例，解先生、中海晟豐、中海晟融、中植投資、湖州中澤視為於湖州飛鵬擁有的相同數目股份擁有權益。
- (6) 林先生持有LVC Assets Management Limited 100%，而LVC Assets Management Limited持有LVC KH Investment L.P. 100%。基於證券及期貨條例，林先生及LVC Assets Management Limited各自被視為於LVC KH Investment L.P.擁有的相同數目股份擁有權益。
- (7) 王明松先生持有博安投資100%，而博安投資持有華夏國際100%。基於證券及期貨條例，王明松先生及博安投資各自於華夏國際擁有的相同數目股份擁有權益。

Other Information

其他資料

(b) Substantial shareholders of other members of the Group

Name of shareholder 股東姓名／名稱	Name of member of the Group 本集團成員公司名稱	Nature of interest 權益性質	Approximate percentage interest held by the substantial shareholder 主要股東 持有權益 概約百分比
Kangdi Enterprise ^{(1) (2)} 康帝實業 ⁽¹⁾⁽²⁾	Renkang Hospital 仁康醫院	Beneficial owner 實益擁有人	15%
Ms. Zhang Dandan ^{(1) (3)} 張丹丹女士 ⁽¹⁾⁽³⁾	Renkang Hospital 仁康醫院	Beneficial owner 實益擁有人	15%
Ms. Wang Aier ^{(1) (4)} 王愛兒女士 ⁽¹⁾⁽⁴⁾	Renkang Hospital 仁康醫院	Beneficial owner 實益擁有人	13%

Notes:

- (1) Pursuant to an entrusted management agreement, each of Kangdi Enterprise, Ms. Zhang Dandan and Ms. Wang Aier irrevocably vested their entire voting power at any general meeting of Renkang Hospital to the Company.
- (2) Kangdi Enterprise is held as to 50% by Mr. Wang Zhengren and as to 50% by Ms. Wang Keying, all of whom are members of the Wang Family and cousins of Mr. Wang Junyang.
- (3) Ms. Zhang Dandan is a member of the Wang Family and aunt-in-law of Mr. Wang Junyang.
- (4) Ms. Wang Aier is a member of the Wang Family and aunt of Mr. Wang Junyang.

Save as disclosed above, as at 30 June 2018, to the knowledge of the Directors, no other person had, or were deemed or taken to have interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the registry kept by the Company pursuant to Section 336 of the SFO.

(b) 本集團其他成員公司的主要股東

Name of shareholder 股東姓名／名稱	Name of member of the Group 本集團成員公司名稱	Nature of interest 權益性質	Approximate percentage interest held by the substantial shareholder 主要股東 持有權益 概約百分比
Kangdi Enterprise ^{(1) (2)} 康帝實業 ⁽¹⁾⁽²⁾	Renkang Hospital 仁康醫院	Beneficial owner 實益擁有人	15%
Ms. Zhang Dandan ^{(1) (3)} 張丹丹女士 ⁽¹⁾⁽³⁾	Renkang Hospital 仁康醫院	Beneficial owner 實益擁有人	15%
Ms. Wang Aier ^{(1) (4)} 王愛兒女士 ⁽¹⁾⁽⁴⁾	Renkang Hospital 仁康醫院	Beneficial owner 實益擁有人	13%

附註：

- (1) 根據委託管理協議，康帝實業、張丹丹女士及王愛兒女士各自均不可撤回地將其於仁康醫院任何股東大會的全部投票權歸屬於本公司。
- (2) 王正仁先生及王可瑩女士各自於康帝實業持有50%股權，其全部為王氏家族的成員及王君揚先生的表親。
- (3) 張丹丹女士是王氏家族成員及王君揚先生的孀母。
- (4) 王愛兒女士是王氏家族成員及王君揚先生的姑母。

除上文所披露者外，於二零一八年六月三十日，據董事所知，概無其他人士於股份或相關股份中擁有權益或淡倉根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或記錄在本公司根據證券及期貨條例第336條存置的登記冊內。

Report on Review of Condensed Consolidated Financial Statements

簡明綜合財務報表之審閱報告

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF
GUANGDONG KANGHUA HEALTHCARE CO., LTD.

致廣東康華醫療股份有限公司董事會

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Guangdong Kanghua Healthcare Co., Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 53 to 102, which comprise the condensed consolidated statement of financial position as of 30 June 2018 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

引言

本行已審閱載於第53至102頁廣東康華醫療股份有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之簡明綜合財務報表，其中包括截至二零一八年六月三十日的簡明綜合財務狀況表及相關簡明綜合損益及其他全面收入表、截至該日止六個月期間的權益變動表及現金流量表以及若干說明附註。香港聯合交易所有限公司證券上市規則規定，編製中期財務資料之報告必須符合以上規則之有關條文以及國際會計準則委員會頒佈的國際財務報告準則第34號(「國際財務報告準則第34號」)(「中期財務報告」)。貴公司董事須負責根據國際財務報告準則第34號編製該等簡明綜合財務報表。本行之責任是根據本行之審閱對該等簡明綜合財務報表作出結論，並按照雙方所協定之委聘條款，僅向全體董事報告本行之結論。除此以外，本行之報告不可用作其他用途。本行概不就本報告之內容對任何其他人士負責或承擔任何責任。

Report on Review of Condensed Consolidated Financial Statements

簡明綜合財務報表之審閱報告

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
31 August 2018

審閱範圍

本行已根據香港會計師公會頒佈之香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。該等簡明綜合財務報表審閱工作包括主要向負責財務會計事項人員詢問，並實施分析和其他審閱程序。由於審閱之範圍遠較按照香港審計準則進行審核之範圍為小，故不能保證本行會注意到在審核中可能會被發現之所有重大事項。因此本行不會發表審核意見。

結論

根據本行之審閱工作，本行並未注意到任何事項，令本行相信簡明綜合財務報表在所有重大方面並無按照國際財務報告準則第34號而編製。

德勤·關黃陳方會計師行
執業會計師
香港
二零一八年八月三十一日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

		Six months ended 30 June		
		截至六月三十日止六個月		
		2018	2017	
		二零一八年	二零一七年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
		(unaudited)	(unaudited)	
		(未經審核)	(未經審核)	
		Notes		
		附註		
Revenue	收益	3	738,589	635,302
Cost of revenue	收益成本		(570,541)	(474,643)
Gross profit	毛利		168,048	160,659
Other income	其他收入	4	28,513	11,787
Other gain and losses	其他收入及虧損	5	248	(12,117)
Administrative expenses	行政開支		(80,580)	(58,350)
Profit before taxation	除稅前溢利	6	116,229	101,979
Income tax expenses	所得稅開支	7	(26,796)	(27,904)
Profit and total comprehensive income for the period	期內溢利及全面收入總額		89,433	74,075
Profit and total comprehensive income for the period attributable to:	下列各項應佔期內溢利及全面收入總額：			
– owners of the Company	– 本公司擁有人		85,632	72,043
– non-controlling interests	– 非控股權益		3,801	2,032
			89,433	74,075
Earnings per share, basic (RMB cents)	每股基本盈利(人民幣分)	9	25.6	21.5

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2018

於二零一八年六月三十日

			At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
	NOTES 附註			
Non-current assets		非流動資產		
Property, plant and equipment	10	物業、廠房及設備	447,857	434,109
Goodwill	11	商譽	56,601	—
Deposits paid for acquisition of property, plant and equipment		收購物業、廠房及設備所付按金	83,949	76,456
Financial asset at fair value through profit or loss	12	按公平值計入損益的金融資產	16,545	—
Available-for-sale investment	12	可供出售投資	—	16,275
Other receivables		其他應收款項	81,000	5,000
			685,952	531,840
Current assets		流動資產		
Inventories		存貨	46,712	44,524
Accounts and other receivables	13	應收賬款及其他應收款項	281,446	214,508
Financial assets at fair value through profit or loss	12	按公平值計入損益的金融資產	518,509	—
Available-for-sale investments	12	可供出售投資	—	543,025
Restricted bank balances		受限制銀行結餘	11,179	14,700
Bank balances and cash		銀行結餘及現金	294,708	383,796
			1,152,554	1,200,553

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2018
於二零一八年六月三十日

			At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
		NOTES 附註		
Current liabilities	流動負債			
Accounts and other payables	應付賬款及其他應付款項	14	405,834	412,586
Amounts due to a shareholder	應付一名股東款項		682	925
Tax payables	應付稅項		36,517	29,483
			443,033	442,994
Net current assets	流動資產淨值		709,521	757,559
Net assets	資產淨值		1,395,473	1,289,399
Capital and reserves	資本及儲備			
Share capital	股本	15	334,394	334,394
Reserves	儲備		1,016,462	930,830
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,350,856	1,265,224
Non-controlling interests	非控股權益		44,617	24,175
Total equity	權益總額		1,395,473	1,289,399

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔					Non-controlling interests 非控股權益			
		Share capital 股本	Share premium 股份溢價	Capital reserve 資本儲備	Statutory reserves 法定儲備	Retained earnings 保留盈利	Total 總計		Total 總計	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
		(note)					(附註)			
At 1 January 2018 (audited)	於二零一八年一月一日 (經審核)	334,394	698,214	53,394	28,464	150,758	1,265,224	24,175	1,289,399	
Profit and total comprehensive income for the period	期內溢利及 全面收入總額	—	—	—	—	85,632	85,632	3,801	89,433	
Acquisition for a non-wholly owned subsidiary (note 18)	收購一間非全資的 附屬公司(附註 18)	—	—	—	—	—	—	16,641	16,641	
Transfer	轉讓	—	—	—	9,528	(9,528)	—	—	—	
At 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	334,394	698,214	53,394	37,992	226,862	1,350,856	44,617	1,395,473	
At 1 January 2017 (audited)	於二零一七年一月一日 (經審核)	334,394	698,214	53,394	12,344	57,069	1,155,415	19,628	1,175,043	
Profit and total comprehensive income for the period	期內溢利及 全面收入總額	—	—	—	—	72,043	72,043	2,032	74,075	
At 30 June 2017 (unaudited)	於二零一七年六月三十日 (未經審核)	334,394	698,214	53,394	12,344	129,112	1,227,458	21,660	1,249,118	

Note: Amount of RMB1,897,000 included in the Group's retained earnings as at 30 June 2018 represents the profit generated from the private non-enterprise entities directly or indirectly held under Anhui Hualin Medical Investment Co., Ltd., a company newly acquired by the Group during the period (details referred to note 18). Under the PRC laws and regulations, the retained earnings of the private non-enterprise entity is not distributable.

附註：本集團於2018年6月30日的未分配利潤中包含的人民幣1,897,000元，是指本集團新收購的安徽樺霖醫療投資有限公司直接或間接持有的私營非企業實體所產生的利潤(詳情見附註18)。根據中國法律及法規，私營非企業實體的留存收益是不可作分配的。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

Six months ended 30 June
截至六月三十日止六個月

2018	2017
二零一八年	二零一七年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

Net cash generated from operating activities	經營活動所得現金淨額	35,341	63,762
Investing activities	投資活動		
Placement of restricted bank balances	存放受限制銀行結餘	(1,009,970)	(915,446)
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益的金融資產	(957,070)	—
Deposit paid for an investment	已付投資訂金	(81,000)	—
Net cash outflow from an acquisition of a subsidiary (Note 18)	收購一間附屬公司的現金流出淨額 (附註18)	(51,092)	—
Purchase of property, plant and equipment	購置物業、廠房及設備	(34,752)	(15,232)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備所付按金	(7,493)	(70,353)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益的金融資產所得款項	988,230	—
Withdrawal of restricted bank balances	提取受限制銀行結餘	1,013,491	935,604
Income received from available-for-sale investments/ financial assets at fair value through profit or loss	來自可供出售投資的收入/按公平值計入損益的金融資產	9,881	2,376
Interest received	已收利息	4,931	1,963
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	128	21
Purchase of available-for-sale investments	購買可供出售投資	—	(741,452)
Loans granted to a hospital (Note 13)	授予一間醫院的貸款(附註13)	—	(20,000)
Redemption of available-for-sale investments	贖回可供出售投資	—	279,000
Net cash used in investing activities	投資活動所用現金淨額	(124,716)	(543,519)
Financing activities	融資活動		
Repayments to a shareholder	還款予一名股東	(243)	(4,998)
Advances from a shareholder	來自一名股東的墊款	—	2,744
Net cash used in financing activities	融資活動所用現金淨額	(243)	(2,254)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(89,618)	(482,011)
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	383,796	936,374
Effect of foreign exchange rate changes	匯率變動影響	530	(3,169)
Cash and cash equivalents at end of the period, represented by bank balance and cash	期末現金及現金等價物，即銀行結餘及現金	294,708	451,194

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Guangdong Kanghua Healthcare Co., Ltd. (“the Company”), was established as a limited liability company under the name of Dongguan Kanghua Enterprise Co., Ltd. in the People’s Republic of China (the “PRC”) and has its shares listed on The Stock Exchange of Hong Kong Limited. The addresses of the registered office of the Company is disclosed in the section “Corporate Information” in the interim report. The Company and its subsidiaries (collectively referred as the “Group”) are principally engaged in operation of hospitals, provision of rehabilitation and other healthcare services, hospital management services and sales of pharmaceutical products in the PRC.

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company. This condensed consolidated financial statements have been approved by the Board of Directors on 31 August 2018 but have not been audited.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“IASB”) as well as with the applicable disclosure requirements of Appendix I6 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss (“FVTPL”)/available-for-sale investments which are measured at fair values at the end of each reporting period.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2018 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2017.

1. 一般資料及編製基準

廣東康華醫療股份有限公司(「本公司」)以東莞市康華實業有限公司的名稱在中國成立為一家有限公司，有關股份在香港聯合交易所有限公司上市。本公司註冊辦事處地址披露於中期報告「公司資料」一節。本公司及其附屬公司(統稱「本集團」)在中國主要從事醫院經營，提供康復及其他醫療服務、醫院管理服務及銷售藥品。

簡明綜合財務報表以人民幣(「人民幣」)呈列，人民幣亦為本公司功能貨幣。本簡明綜合財務報表已於2018年8月31日獲董事會批准，但尚未經審計。

簡明綜合財務報表乃根據國際會計準則委員會(「國際會計準則委員會」)頒佈的國際會計準則(「國際會計準則」)第34號「中期財務報告」以及香港聯合交易所有限公司證券上市規則(「香港上市規則」)附錄十六的適用披露規定編製。

2. 主要會計政策

簡明綜合財務報表按歷史成本基準編製，惟按公平值計入損益的金融資產／可供出售投資乃按各報告期末的公平值計量除外。

除下文所述者外，截至二零一八年六月三十日止六個月的簡明綜合財務報表採用的會計政策及計算方法與編製本集團截至二零一七年十二月三十一日止年度的年度財務報表所遵循者一致。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Adoption of new accounting policies in respect of business combinations and goodwill

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with International Financial Reporting Standard ("IFRS") 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

2. 主要會計政策(續)

採納有關業務合併及商譽的新會計政策

業務合併

收購業務以收購法入賬。業務合併所轉讓代價以公平值計量，而公平值按本集團所轉讓資產、本集團對被收購方前擁有人所產生負債以及本集團就交換被收購方控制權所發行股本權益於收購日期的公平值總和計算。收購有關成本一般於產生時於損益內確認。

於收購日期，所購入可識別資產及所承擔負債，按其公平值確認，但下列各項除外：

- 遞延稅項資產或負債及有關僱員福利安排之資產或負債分別遵循國際會計準則第12號*所得稅*及國際會計準則第19號*僱員福利*確認及計量；
- 與被收購方以股份為基礎支付安排或為替代被收購方以股份為基礎支付安排而訂立的本集團以股份為基礎支付安排有關的負債或股本工具，於收購日期根據國際財務報告準則(「國際財務報告準則」)第2號*以股份為基礎的支付*計量；及
- 根據國際財務報告準則第5號*持作出售非流動資產及已終止經營業務*分類為持作出售的資產(或出售組合)按該準則計量。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Adoption of new accounting policies in respect of business combinations and goodwill (Cont'd)

Business combinations (Cont'd)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

2. 主要會計政策(續)

採納有關業務合併及商譽的新會計政策(續)

業務合併(續)

商譽按所轉讓代價、於被收購方的任何非控股權益的金額及收購方過往所持被收購方股本權益(如有)公平值總和超出所收購可識別資產及所承擔負債於收購日期的淨額計量。倘於重新評估後，所收購可識別資產及所承擔負債於收購日期的淨額超出所轉讓代價、於被收購方任何非控股權益的金額及收購方過往所持被收購方權益(如有)公平值之總和，差額即時於損益確認為按折價收購收益。

非控股權益為現有所有權權益，授權持有人於清盤時按比例分佔相關附屬公司資產淨值，其可初步按公平值或非控股權益按比例分佔被收購方可識別資產淨值的已確認數額計量。計量基準可按個別交易選擇。

倘業務合併的初步會計處理於合併發生的報告期末仍未完成，則本集團會就仍未完成會計處理的項目呈報暫定金額。該等暫定金額於計量期間(見上文)內作出調整，並確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況的新資料，而倘知悉該等資料，將會影響於當日確認的金額。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Adoption of new accounting policies in respect of business combinations and goodwill (Cont'd)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

2. 主要會計政策(續)

採納有關業務合併及商譽的新會計政策(續)

商譽

收購業務產生的商譽按收購業務之目的成本(見上文會計政策)減累計減值虧損(如有)列賬。

為進行減值測試，商譽乃分配至預期將從合併所帶來的協同效益中受惠的本集團每個現金產生單位或現金產生單位組合，而該單位或單位組合指就內部管理目的監控的商譽最低水平且不超過經營分部。

獲得商譽分配的現金產生單位(或現金產生單位組合)每年進行減值測試或每當有跡象顯示該單位可能出現減值時更頻繁地進行減值測試。就於某一報告期間收購產生的商譽而言，獲得商譽分配的現金產生單位(或現金產生單位組合)於該報告期間結束前進行減值測試。倘現金產生單位的可收回金額低於賬面值，則首先分配減值虧損以減低分配至該單位的任何商譽的賬面值，然後按該單位(或現金產生單位組合)內各項資產的賬面值所佔比例分配至該單位的其他資產。

於出售相關現金產生單位後，在釐定出售損益(或本集團監控商譽的現金產生單位組合內的任何現金產生單位)金額時計入商譽的應佔金額。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Application of new and amendments to International Financial Reporting Standards (“IFRSs”)

In the current interim period, the Group has applied, for the first time, the following new and amendments to IFRSs issued by the IASB which are mandatory effective for the annual period beginning on or after 1 January 2018 for the preparation of the Group's condensed consolidated financial statements:

IFRS 9	Financial Instruments
國際財務報告準則第9號	金融工具
IFRS 15	Revenue from Contracts with Customers and the related Amendments
國際財務報告準則第15號	客戶合約的收益及相關修訂
IFRIC 22	Foreign Currency Transactions and Advance Consideration
國際財務報告詮釋委員會詮釋第22號	外幣交易及墊付代價
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions
國際財務報告準則第2號(修訂本)	以股份為基礎的支付交易的分類及計量
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
國際財務報告準則第4號(修訂本)	應用國際財務報告準則第9號金融工具及國際財務報告準則第4號保險合約
Amendments to IAS 28	As part of the Annual Improvements to IFRSs 2014 - 2016 Cycle
國際會計準則第28號(修訂本)	作為二零一四年至二零一六年週期國際財務報告準則的年度改進的一部分
Amendments to IAS 40	Transfers of Investment Property
國際會計準則第40號(修訂本)	投資物業轉移

2. 主要會計政策(續)

採納新訂國際財務報告準則(「國際財務報告準則」)及其修訂本

於當前中期期間，本集團已首次應用以下於二零一八年一月一日當日或之後的年度期間強制生效的國際會計準則委員會頒佈的新訂及經修訂國際財務報告準則，以編製本集團簡明綜合財務報表：

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

Application of new and amendments to International Financial Reporting Standards ("IFRSs") (Cont'd)

Except as described below, the application of these new and amendments to IFRSs did not have any material impact on the Group's condensed consolidated financial statements.

2.1 Impacts and changes in accounting policies of application on IFRS 15 Revenue from contracts with customers

The Group has applied IFRS 15 for the first time in the current interim period. IFRS 15 superseded IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related interpretations.

The Group recognises revenue from the following major sources:

- Revenue from provision of hospital services;
- Revenue from provision of rehabilitation and other healthcare services;
- Revenue from provision of hospital management services; and
- Revenue from sales of pharmaceutical products.

The Group has applied IFRS 15 retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. Furthermore, in accordance with the transition provisions in IFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under IAS 18 *Revenue* and related interpretations.

2. 主要會計政策(續)

採納新訂國際財務報告準則(「國際財務報告準則」)及其修訂本(續)

除下列所述外，應用該等新訂及經修訂國際財務報告準則對本集團簡明綜合財務報表並無任何重大影響。

2.1 應用國際財務報告準則第15號客戶合約收入的會計政策影響及變動

本集團已於本中中期期間首次採納國際財務報告準則第15號。國際財務報告準則第15號取代國際會計準則第18號收入、國際會計準則第11號建築合約及相關詮釋。

本集團自以下主要來源確認收入：

- 提供醫院服務的收入；
- 提供康復及其他醫療服務的收入；
- 提供醫院管理服務的收入；及
- 藥品銷售收入。

本集團已追溯應用國際財務報告準則第15號，而首次應用該準則的累計影響於二零一八年一月一日首次應用當日確認。於首次應用日期之任何差異於期初保留盈利確認而並無重列比較資料。此外，根據國際財務報告準則第15號之過渡條文，本集團僅選擇對二零一八年一月一日尚未完成之合約追溯應用該標準。因此，若干比較資料未必能與根據國際會計準則第18號收入及相關詮釋編製的比較資料具可比性。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.1 Impact and changes in accounting policies of application on IFRS 15 Revenue from contracts with customers (Cont'd)

2.1.1 Key changes in accounting policies resulting from application of IFRS 15

IFRS 15 introduces a 5-step approach when recognising revenue:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation

Under IFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

2. 主要會計政策(續)

2.1 應用國際財務報告準則第15號客戶合約收入的會計政策影響及變動(續)

2.1.1 應用國際財務報告準則第15號導致會計政策的主要變動

國際財務報告準則第15號引入確認收入時的五個步驟：

- 步驟1：識別與客戶之合約
- 步驟2：識別合約內之履約義務
- 步驟3：釐定交易價格
- 步驟4：按合約內履約義務分配交易價格
- 步驟5：當(或於)本集團滿足履約義務時確認收入

根據國際財務報告準則第15號，當(或於)滿足履約義務時，本集團確認收入，即於特定履約義務的相關商品或服務的「控制權」轉讓予客戶時確認。

履約義務指不同的商品及服務〔或一組商品或服務〕或不同的商品及大致相同的服務。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.1 Impact and changes in accounting policies of application on IFRS 15 Revenue from contracts with customers (Cont'd)

2.1.1 Key changes in accounting policies resulting from application of IFRS 15 (Cont'd)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

2. 主要會計政策(續)

2.1 應用國際財務報告準則第15號客戶合約收入的會計政策影響及變動(續)

2.1.1 應用國際財務報告準則第15號導致會計政策的主要變動(續)

控制權隨時間轉移，而倘滿足以下其中一項標準，則收入乃參照完全滿足相關履約義務的進展情況而隨時間確認：

- 隨本集團履約，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團之履約創建或強化一資產，該資產於創建或強化之時即由客戶控制；或
- 本集團之履約並未產生對本集團有替代用途的資產，且本集團對迄今已完成履約之款項具有可執行之權利。

否則，收入於客戶獲得商品或服務控制權的時間點確認。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.1 Impact and changes in accounting policies of application on IFRS 15 Revenue from contracts with customers (Cont'd)

2.1.1 Key changes in accounting policies resulting from application of IFRS 15 (Cont'd)

For revenue from (i) hospital services; (ii) rehabilitation and other healthcare services; and (iii) hospital management services, for which the control of the service is transferred when the Group had provided the related services over the service period, revenue is recognised when the patients simultaneously received healthcare services, physical examinations services and rehabilitation services and the managed hospital received management services.

For revenue from sales of pharmaceutical products for which control of pharmaceutical products is transferred at a point in time, revenue is recognised when the customer obtains the control of pharmaceutical products and Group has present right to payment and the collection of the consideration is probable.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

The application of IFRS 15 in the current interim period has had no material impact on the amounts and/or disclosures reported in these condensed consolidated financial statements.

2. 主要會計政策(續)

2.1 應用國際財務報告準則第15號客戶合約收入的會計政策影響及變動(續)

2.1.1 應用國際財務報告準則第15號導致會計政策的主要變動(續)

對於服務控制權於服務期間本集團提供相關服務時轉移的(i)醫院服務；(ii)康復及其他醫療服務；及(iii)醫院管理服務，收入於病人同時接受醫療服務、體檢服務及康復服務以及管理醫院接受管理服務時確認。

對於藥品控制權於某個時間點轉移的藥品銷售，收入於客戶取得藥品控制權及本集團已獲得現時收款權及可能收取代價時確認。

按時間確認收益：計量完全達成履約責任的進度

輸出法

完全達成履約責任的進度按輸出法計量，該輸出法根據直接計量至今已轉移予客戶的貨品或服務價值與該合約項下承諾的餘下貨品或服務相比較確認收益，可以最佳方式描述本集團轉移貨品或服務控制權的履約情況。

本期中期間應用國際財務報告準則第15號對此簡明綜合財務報表中呈報的金額及/或披露並無重大影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments

In the current period, the Group has applied IFRS 9 *Financial Instruments*, Amendments to IFRS 9 *Prepayment Features with Negative Compensation* and the related consequential amendments to other IFRSs. IFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities; and (2) expected credit losses (“ECL”) for financial assets.

The Group has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9, i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under IAS 39 *Financial Instruments: Recognition and Measurement*.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動

於當前期間，本集團已應用國際財務報告準則第9號金融工具、國際財務報告準則第9號(修訂本)提早還款特性及負補償及其他國際財務報告準則相關的相應修訂。國際財務報告準則第9號就(1)金融資產及金融負債的分類和計量，及(2)金融資產的預期信貸損失(「預期信貸損失」)引入新規定。

本集團已根據國際財務報告準則第9號所載的過渡條文應用國際財務報告準則第9號，即對二零一八年一月一日(首次應用日期)尚未終止確認的工具追溯應用分類及計量要求(包括減值)，並無對已於二零一八年一月一日終止確認的工具應用相關要求。於二零一七年十二月三十一日之賬面值與於二零一八年一月一日之賬面值之間的差額於期初保留溢利及其他權益部分確認而並無重列比較資料。

因此，若干比較資料未必與根據國際會計準則第39號金融工具：確認及計量編製之比較資料具可比性。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9

Classification and measurement of financial assets

Trade receivables arising from contracts with customers are initially measured in accordance with IFRS 15.

All recognised financial assets that are within the scope of IFRS 9 are subsequently measured at amortised cost or fair value, including unquoted equity investments measured at cost less impairment under IAS 39.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動

金融資產分類及計量

與客戶簽訂合約產生的貿易應收款項初步根據國際財務報告準則第15號計量。

屬國際財務報告準則第9號範圍的所有已確認金融資產其後按攤銷成本或公平值計量，包括根據國際會計準則第39號按成本減去減值計量的非上市股權投資。

符合以下條件其後按攤銷成本計量的債務工具：

- 以收取合約現金流量為目的而持有金融資產之經營模式下持有之金融資產；及
- 金融資產之合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Classification and measurement of financial assets (Cont'd)

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 *Business Combinations* applies.

In addition, the Group may irrevocably designate a debt investment that meets the amortised cost or fair value through other comprehensive income ("FVTOCI") criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

金融資產分類及計量(續)

所有其他金融資產其後按公平值計入損益計量，但在首次應用／首次確認金融資產之日，倘該股本投資並非持作買賣，亦非由於收購方在國際財務報告準則第3號業務合併所適用的業務合併中確認的或然代價，本集團可不可撤銷地選擇於其他全面收益(「其他全面收益」)呈列股本工具其後公平值變動。

此外，本集團可不可撤銷地指定符合攤銷成本或按公平值計入其他全面收益準則(「按公平值計入其他全面收益」)的債務投資為按公平值計入損益計量(倘若此舉可消除或顯著減少會計錯配)。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Classification and measurement of financial assets (Cont'd)

Equity instruments designated as at FVTOCI

At the date of initial application/initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the investment revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained profits.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income" line item in profit or loss.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

金融資產分類及計量(續)

指定為按公平值計入其他全面收益之股本工具

於首次應用／初步確認日期，本集團可按個別工具基準作出不可撤回的選擇，指定股本工具之投資為按公平值計入損益類別。

指定為按公平值計入其他全面收益之股本工具的初步投資按公平值加交易成本計量。其後，股本工具按公平值計量，其公平值變動產生的收益及虧損於其他全面收入確認及於投資重估儲備累計；無須作減值評估。累計損益將不重新分類至出售股本投資之損益，並將轉撥至保留盈利。

當本集團根據國際財務報告準則第9號確認收取股息的權利時，該等股本工具投資的股息於損益中確認，除非股息明確表示收回部分投資成本。股息計入損益中「其他收入」的項目中。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Classification and measurement of financial assets (Cont'd)

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gain and losses" line item.

The directors of the Company reviewed and assessed the Group's financial assets as at 1 January 2018 based on the facts and circumstances that existed at that date. Changes in classification and measurement on the Group's financial assets and the impacts thereof are detailed in Note 2.2.2.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

金融資產分類及計量(續)

按公平值計入損益的金融資產

不符合以攤銷成本計量或按公平值計入其他全面收益列賬或指定為按公平值計入其他全面收益的金融資產均按公平值計入損益計量。

按公平值計入損益的金融資產按各報告期末的公平值計量，而任何公平值收益或虧損於損益中確認。於損益確認的收益或虧損淨額不包括就金融資產賺取的任何股息或利息且計入「其他收益及虧損」項目。

本公司董事根據當日存在的事實及情況，審閱及評估本集團於二零一八年一月一日的金融資產。本集團金融資產的分類及計量變動及其影響詳見附註2.2.2。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under IFRS 9 (including trade receivables). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

預期信貸損失模式減值

本集團根據國際財務報告準則第9號就發生減值之金融資產(包括貿易應收款項)確認預期信貸損失的虧損準備。預期信貸損失的金額於各報告日期更新，以反映自初始確認後信貸風險的變化。

存續期預期信貸損失指將相關工具的預期使用期內所有可能的違約事件產生之預期信貸損失。相反，12個月預期信貸損失(「12個月預期信貸損失」)為預期於報告日期後12個月內可能發生的違約事件導致之存續期預期信貸損失部分。評估乃根據本集團的歷史信貸虧損經驗進行，並根據債務人特有的因素、一般經濟狀況以及對報告日期當前狀況的評估以及對未來狀況的預測作出調整。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Impairment under ECL model (Cont'd)

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

預期信貸損失模式減值(續)

本集團始終就貿易應收款項確認存續期預期信貸損失，並無重大財務部份。該等資產的預期信貸損失對於結餘重大之應收款項進行個別評估及／或使用具有適當分組的提列矩陣而進行集體評估。

對於所有其他工具，本集團計量的虧損準備等於12個月預期信貸損失，除非自初始確認後信貸風險顯著增加，本集團確認存續期預期信貸損失。是否應確認存續期預期信貸損失的評估乃基於自初始確認以來發生違約之可能性或風險的顯著增加。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Impairment under ECL model (Cont'd)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

預期信貸損失模式減值(續)

信貸風險顯著增加

於評估自初始確認後信貸風險是否顯著增加時，本集團將於報告日期金融工具發生之違約風險與初始確認日期金融工具發生之違約風險進行比較。在進行該評估時，本集團會考慮合理且可支持的定量和定性資料，包括無需付出不必要的成本或努力而可得之歷史經驗及前瞻性資料。

特別是，在評估信貸風險是否顯著增加時，會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 外部市場信貸風險指標的顯著惡化，如信貸利差大幅增加，債務人的信貸違約掉期價格；

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Impairment under ECL model (Cont'd)

Significant increase in credit risk (Cont'd)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

預期信貸損失模式減值(續)

信貸風險顯著增加(續)

- 預計會導致債務人償還債務能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變化；
- 債務人經營業績的實際或預期顯著惡化；
- 導致債務人償還債務能力大幅下降的債務人監管、經濟或技術環境的實際或預期的重大不利變化。

不論上述評估之結果如何，本集團認為，當合約付款逾期超過90天，則自初始確認以來信貸風險已顯著增加，除非本集團有合理且可支持之資料證明。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Impairment under ECL model (Cont'd)

Significant increase in credit risk (Cont'd)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group considers that default has occurred when the instrument is more than 1 year past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

預期信貸損失模式減值(續)

信貸風險顯著增加(續)

儘管存在上述情況，倘債務工具於報告日期展示為具有低信貸風險，本集團假設債務工具的信貸風險自初步確認起並無大幅增加。倘i)其違約風險偏低，ii)借方有強大能力於短期滿足其合約現金流量責任，及iii)較長期的經濟及業務狀況存在不利變動，惟將未必削弱借方達成其合約現金流量責任的能力，則債務工具的信貸風險會被釐定為偏低。當債務工具的內部或外部信貸評級為「投資級別」(按照全球理解的釋義)，則本集團會視該債務工具的信貸風險偏低。

本集團認為，倘工具逾期超過一年時則發生違約，除非本集團有合理且可支持之資料證明更滯後的違約標準屬更合適。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Impairment under ECL model (Cont'd)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of accounts receivables where the corresponding adjustment is recognised through a loss allowance account.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

預期信貸損失模式減值(續)

預期信貸損失之計量及確認

預期信貸損失之計量為違約概率、違約虧損(即違約時虧損大小)及違約時風險敞口之函數。違約概率及違約虧損之評估乃基於歷史數據按前瞻性資料作調整。

一般而言，預期信貸損失為根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額，按初始確認時釐定之有效利率貼現。

利息收入乃根據金融資產之賬面總額計算，除非金融資產發生信貸減值，在此情況下，利息收入根據金融資產之攤銷成本計算。

本集團通過調整賬面值於損益中確認所有金融工具之減值收益或虧損，惟相應調整於虧損備抵賬中確認之應收賬款除外。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.1 Key changes in accounting policies resulting from application of IFRS 9 (Cont'd)

Impairment under ECL model (Cont'd)

Measurement and recognition of ECL (Cont'd)

As at 1 January 2018, the directors of the Company reviewed and assessed the Group's existing financial assets and contract assets, for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of IFRS 9.

All loss allowance for financial assets including financial assets at FVTPL, accounts and other receivables, bank balances and cash and restricted bank balances are measured on 12m ECL basis and there had been no significant increase in credit risk since initial recognition.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.1 應用國際財務報告準則第9號導致會計政策的主要變動(續)

預期信貸損失模式減值(續)

預期信貸損失之計量及確認(續)

於二零一八年一月一日，本公司董事根據國際財務報告準則第9號之規定，使用無需付出不必要成本或能力而可得之合理且可支持的資料審閱及評估本集團現有的金融資產及合約資產是否存在減值。

就金融資產(包括按公平值計入損益的金融資產)、應收賬款及其他應收款項、銀行結餘及現金以及受限制銀行結餘的計提的虧損撥備均按12個月預期信貸損失基準計量，自初始確認以來其信貸風險並無顯著增加。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.2 Summary of effects arising from initial application of IFRS 9

The table below illustrates the classification and measurement (including impairment) of financial assets under IFRS 9 and IAS 39 at the date of initial application, 1 January 2018.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.2 首次應用國際財務報告準則第9號產生之影響概述

下表闡述於首次應用日期(二零一八年一月一日)國際財務報告準則第9號及國際會計準則第39號項下的金融資產的分類及計量(包括減值)。

		Financial assets at FVTPL required by IAS 39/IFRS 9 國際會計準則 第39號/國際 財務報告準則 第9號規定的按 Available- for-sale 公平值計入損益 可供出售 的金融資產	
		RMB'000 人民幣千元	RMB'000 人民幣千元
Closing balance at 31 December 2017 - IAS 39	於二零一七年十二月三十一日的 期末結餘－國際會計準則第39號	559,300	—
Reclassification from available-for-sale (both current and non-current)	自可供出售重新分類 (流動及非流動)	(559,300)	559,300
Opening balance at 1 January 2018	於二零一八年一月一日的期初結餘	—	559,300

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

2.2 Impacts and changes in accounting policies of application on IFRS 9 Financial Instruments and the related amendments (Cont'd)

2.2.2 Summary of effects arising from initial application of IFRS 9 (Cont'd)

The application of the expected credit loss model of IFRS 9 has no material impact on the accumulated amount of impairment loss to be recognised by Group as at 1 January 2018 as compared to the accumulated amount recognised under IAS 39 mainly attributable to expected credit losses provision on trade and other receivables. In respect of bank balances, based on the historical financial information and reputation of the banks that the Group deposited to, the management of the Company has considered that the risk of default is low, their capacity to meet its contractual cash flow obligations in the near term is strong and there is no adverse changes in economic and business conditions of the counterparties. Therefore, they considered it is not necessarily to recognise provision for ECL on bank balances in the condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in (i) provision of hospital services; (ii) provision of rehabilitation and other healthcare services; (iii) provision of hospital management services; and (iv) sales of pharmaceutical products.

2. 主要會計政策(續)

2.2 應用國際財務報告準則第9號金融工具的會計政策及相關修訂影響及變動(續)

2.2.2 首次應用國際財務報告準則第9號產生之影響概述(續)

與根據國際會計準則第39號確認的累計金額相比，應用國際財務報告準則第9號的預期信貸損失模式對本集團於二零一八年一月一日將予確認的累計減值虧損額並無影響，主要是由於就貿易及其他應收款項的預期信貸損失計提撥備所致。就銀行結餘而言，根據本集團存款銀行的歷史財務資料及聲譽，本公司管理層認為，有關違約風險很低，其近期履行合約現金流量責任的能力很強，且借方的經濟及業務狀況沒有存在不利變動。因此，彼等認為並無必要於簡明綜合財務報表中就銀行結餘的預期信貸損失確認撥備。

3. 收益及分部資料

本集團主要從事(i)提供醫院服務；(ii)提供康復及其他醫療服務；(iii)提供醫院管理服務；及(iv)藥品銷售。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Cont'd)

Revenue

An analysis of the Group's revenue for the period is as follows:

		Six months ended 30 June	
		截至六月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Hospital services:	醫院服務收入：		
– Inpatient healthcare services	– 住院醫療服務	426,169	378,265
– Outpatient healthcare services	– 門診醫療服務	258,761	230,910
– Physical examination services	– 體檢服務	30,163	24,938
Rehabilitation and other healthcare services:	康復及其他醫療服務收入：		
– Rehabilitation hospital services	– 康復醫院服務	10,436	N/A 不適用
– Rehabilitation centre services and other healthcare services	– 康復中心服務及其他醫療服務	4,215	N/A 不適用
Hospital management service income	醫院管理服務收入	1,922	1,189
Sales of pharmaceutical products	藥品銷售	6,923	N/A 不適用
		738,589	635,302

Segment information

Information reported to the executive directors of the Company, being the chief operating decision maker (the “CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of service provided.

During the six months ended 30 June 2018, the Group acquired a new business which is principally engaged in provision of rehabilitation and other healthcare services (detailed in note 18). In light of the new business acquired during the current period, the directors of the Company have reallocated the Group's segment information and combined inpatient healthcare services, outpatient healthcare services and physical examination services into one single segment as hospital services. The directors of the Company are of the view that the revised presentation of the operating segment information will better reflects the Group's business operations.

3. 收益及分部資料(續)

收益

本集團期內收益分析如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Hospital services:	醫院服務收入：		
– Inpatient healthcare services	– 住院醫療服務	426,169	378,265
– Outpatient healthcare services	– 門診醫療服務	258,761	230,910
– Physical examination services	– 體檢服務	30,163	24,938
Rehabilitation and other healthcare services:	康復及其他醫療服務收入：		
– Rehabilitation hospital services	– 康復醫院服務	10,436	N/A 不適用
– Rehabilitation centre services and other healthcare services	– 康復中心服務及其他醫療服務	4,215	N/A 不適用
Hospital management service income	醫院管理服務收入	1,922	1,189
Sales of pharmaceutical products	藥品銷售	6,923	N/A 不適用
		738,589	635,302

分部資料

為進行資源分配及評估分部表現而向本公司執行董事(即主要經營決策者(「主要經營決策者」))呈報的資料側重於所提供服務的類型。

截至二零一八年六月三十日止六個月，本集團收購一項新業務，其主要從事提供康復及其他醫療服務(詳列於附註18)。鑒於本期內所收購的新業務，本公司董事重新分配本集團的分部資料及將住院醫療服務、門診醫療服務及體檢服務合併為醫院服務的單項分部。本公司董事認為，經修訂呈報的經營分部資料，將更能反映本集團的業務運營。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment information (Cont'd)

The Group's operating segments are classified as (i) hospital services; (ii) rehabilitation and other healthcare services; (iii) hospital management services; and (iv) sales of pharmaceutical products. The details of the Group's operating segments are as follows:

- (i) Hospital services: Contains (i) Inpatient healthcare services generally refer to the treatment of patients who are hospitalised overnight or for an indeterminate period of time. (ii) Outpatient healthcare services generally refer to the treatment of patients who are hospitalised for less than 24 hours. (iii) Physical examinations services generally refer to the clinical examination of individuals for signs of diseases and health advisory services.
- (ii) Rehabilitation and other healthcare services: Rehabilitation services generally refer to the provision of special care services to patients with permanent or long-term physical or mental disabilities. Other healthcare services include elderly care and training service for the disabled.
- (iii) Hospital management services: Provision of management services to a hospital owned by an independent third party.
- (iv) Sales of pharmaceutical products: Sales of pharmaceutical products to patients of the Group's hospitals and outside customers.

These operating segments also represent the Group's reportable segments. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

3. 收益及分部資料(續)

分部資料(續)

本集團的經營分部分為(i)醫院服務；(ii)康復及其他醫療服務；(iii)醫院管理服務；及(iv)藥品銷售。本集團經營分部的詳情如下：

- (i) 醫院服務：包括(i)住院醫療服務一般指為過夜或不定時入院的病人提供治療。(ii)門診醫療服務一般指為入院少於24小時的病人提供治療。(iii)體檢服務一般指為個人提供有關疾病徵兆的臨床檢驗及保健諮詢服務。
- (ii) 康復及其他醫療服務：康復服務一般指向永久或長期身體或精神殘疾的患者提供特殊護理服務。其他醫療服務包括老年護理及殘疾人士訓練服務。
- (iii) 醫院管理服务：向獨立第三方擁有的醫院提供管理服务。
- (iv) 藥品銷售：向本集團醫院及門診客戶的患者銷售藥品。

該等經營分部亦代表本集團的可呈報分部。於釐定本集團的可呈報分部時，概無合併主要經營決策者確定的經營分部。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating segments:

Six months ended 30 June 2018 (unaudited)

3. 收益及分部資料(續)

分部收益及業績

以下為按經營分部劃分的本集團收益及業績分析：

截至二零一八年六月三十日止六個月
(未經審核)

		Hospital services	Rehabilitation and other healthcare services	Hospital management services	Sales of pharmaceutical products	Total
		醫院 服務	康復及其他 醫療服務	醫院 管理服務	藥品銷售	總計
		RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(Note a) (附註 a)		(Note b) (附註 b)	
SEGMENT REVENUE	分部收益					
External sales	外部銷售	715,093	14,651	1,922	6,923	738,589
Segment profit	分部溢利	157,804	7,819	981	1,444	168,048
Other income	其他收入					28,513
Other gain and losses	其他收入及虧損					248
Other unallocated expenses	其他未分配開支					(80,580)
Profit before taxation	除稅前溢利					116,229

Notes:

(a) Rehabilitation and other healthcare services was acquired in April 2018.

(b) Sales of pharmaceutical products commenced in July 2017.

附註：

(a) 於二零一八年四月收購的康復及其他醫療服務。

(b) 於二零一七年七月開始的藥品銷售。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

3. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment revenues and results (Cont'd)

Six months ended 30 June 2017 (unaudited)

		Hospital services 醫院服務 RMB'000 人民幣千元	Hospital management services 醫院管理服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
SEGMENT REVENUE	分部收益			
External sales	外部銷售	634,113	1,189	635,302
Segment profit	分部溢利	160,351	308	160,659
Other income	其他收入			11,787
Other gain and losses	其他收益及虧損			(12,117)
Other unallocated expenses	其他未分配開支			(58,350)
Profit before taxation	除稅前溢利			101,979

There were no inter-segment sales during both periods.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of other income, other gain and losses and other unallocated expenses. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

Except as disclosed above, no other amounts are regularly provided to the CODM of the Group and therefore, no further analysis is presented.

3. 收益及分部資料(續)

分部收益及業績(續)

截至二零一七年六月三十日止六個月
(未經審核)

於兩個期間並無分部間銷售。

經營分部的會計政策與本集團會計政策相同。分部溢利指各分部賺取的溢利，而並無分配其他收入、其他收益及虧損及其他未分配開支。此乃就資源分配及表現評估而呈報予本集團主要經營決策者的計量方式。

除上文所披露者外，並無其他金額定期提供予本集團主要經營決策者，故並無呈列進一步分析。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

4. OTHER INCOME

4. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB' 000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB' 000 人民幣千元 (unaudited) (未經審核)
Bank and other interest income	銀行及其他利息收入	5,566	6,328
Income from financial assets at FVTPL/available-for-sale investments	按公平值計入損益的金融 資產／可供出售投資的收入	16,164	2,376
Rental income	租金收入	2,206	2,183
Government subsidies (note)	政府補貼(附註)	138	227
Others	其他	4,439	673
		28,513	11,787

Note: The government subsidies mainly represented the subsidies on costs incurred for research and development projects, medical related seminars and forums with no special and unfulfilled conditions attached.

附註：政府補貼主要指無附帶特殊及未履行條件的研發項目、醫療相關講座及座談會產生的成本的補貼。

5. OTHER GAIN AND LOSSES

5. 其他收入及虧損

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB' 000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB' 000 人民幣千元 (unaudited) (未經審核)
Net exchange gain(loss)	匯兌收益(虧損)淨額	1,096	(9,848)
Impairment loss on accounts receivables	應收賬款減值虧損	(776)	(2,181)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	(72)	(88)
		248	(12,117)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

6. PROFIT BEFORE TAXATION

6. 除稅前溢利

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Profit before taxation has been arrived at after charging:	除稅前溢利經扣除下列項目後達致：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	30,339	22,217
Research and development expenditure	研發開支	389	461
Operating lease rentals in respect of hospitals	與醫院有關的經營租賃租金	14,794	13,175
Cost of inventories recognised as expenses (representing pharmaceutical products and consumables used, included in cost of revenue)	確認為開支的存貨成本 (指所用藥品及耗材，計入收益成本內)	346,815	300,170

7. INCOME TAX EXPENSES

7. 所得稅開支

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Current tax:	即期稅項：		
PRC Enterprise Income Tax ("PRC EIT")	中國企業所得稅 (「中國企業所得稅」)	26,131	29,876
Under(over) provision in respect of prior years	往年撥備不足(超額撥備)	665	(1,972)
		26,796	27,904

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

7. INCOME TAX EXPENSES (Cont'd)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit. No provision for Hong Kong Profits Tax had been made in both periods as the Group had no assessable profits arising in Hong Kong.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the statutory income tax rate of the Company and its PRC subsidiaries is 25% for both periods.

8. DIVIDENDS

The directors of the Company did not recommend the payment of an interim dividend for the six months ended 30 June 2018 (six months ended 30 June 2017: nil).

9. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company is based on the following data:

7. 所得稅開支(續)

香港利得稅按估計應課稅溢利的16.5%計算。由於本集團並無於香港產生的應課稅溢利，故於兩個期間內並無就香港利得稅計提撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，本公司及其中國附屬公司於兩個期間內的法定所得稅稅率為25%。

8. 股息

本公司董事並不建議就截至二零一八年六月三十日止六個月派付中期股息(截至二零一七年六月三十日止六個月：無)。

9. 每股盈利

本公司擁有人應佔每股基本盈利基於以下數據計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Earnings:	盈利：		
Profit for the period attributable to the owners of the Company for the purpose of calculating basic earnings per share	用於計算每股基本盈利的本公司擁有人應佔期內溢利	85,632	72,043
Number of shares:	股份數目：		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	用於計算每股基本盈利的普通股加權平均數	334,394,000	334,394,000

No diluted earnings per share has been presented since there was no potential ordinary share in issue for both periods.

由於在兩個期間內沒有發行潛在普通股，故並無呈列每股攤薄盈利。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group acquired property, plant and equipment and incurred expenditure on construction in progress of RMB34,076,000 and RMB10,211,000 (six months ended 30 June 2017: RMB11,377,000 and RMB13,690,000) respectively for the purpose of upgrading and expanding the service capacity of the Group's hospital operations.

11. GOODWILL

COST	成本	
At 1 January 2018	於二零一八年一月一日	—
Arising on acquisition of subsidiary (note 18)	由收購附屬公司而產生(附註18)	56,601
At 30 June 2018	於二零一八年六月三十日	56,601

For the purposes of impairment testing, goodwill on a provisional basis has been allocated to provision of rehabilitation and other healthcare services segment as an individual cash-generating unit ("CGU"). During the period ended 30 June 2018, the directors of the Company determine that there are no impairment of the CGU.

The recoverable amount of the CGU has been determined based on a value in use calculation. The calculation uses cash flow projections based on a business forecast approved by management covering a 5-year period, and pre-tax discount rate of 13.1%. The CGU's cash flows beyond the 5-year period are extrapolated at 3% growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows is based on the past performance available and management's expectations for the CGU's future development plan. Management believes that any reasonably possible change in any of these assumptions would not cause the carrying amount of the CGU to exceed the recoverable amount of the CGU.

10. 物業、廠房及設備的變動

於本中期期間，本集團購買物業、廠房及設備人民幣34,076,000元及就在建工程產生支出人民幣10,211,000元(截至二零一七年六月三十日止六個月：人民幣11,377,000元及人民幣13,690,000元)，以分別升級及擴大本集團醫院營運的服務能力。

11. 商譽

RMB'000
人民幣千元

有關減值測試，商譽臨時分配至作為個別現金產生單位(「現金產生單位」)的康復及其他醫療服務分部撥備。截至二零一八年六月三十日止期間，本公司董事釐定並無現金產生單位減值。

現金產生單位可收回金額按可使用價值計算釐定。有關計算根據管理層批准的業務預測的現金流量預測，涵蓋五年期及除稅前貼現率13.1%。超過五年期的現金產生單位現金流量按3%增長率推斷。可使用價值其他主要假設的計算與根據可獲得過往表現及管理層對現金產生單位未來發展計劃預期的現金流入／流出估計。管理層相信任何該等假設的任何合理可能變動將不會導致現金產生單位賬面值高於現金產生單位可收回金額。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/ AVAILABLE-FOR-SALE INVESTMENTS

12. 按公平值計入損益的金融資產 ／可供出售投資

		At 30 June 2018 於二零一八年 六月三十日 RMB' 000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB' 000 人民幣千元 (audited) (經審核)
Unlisted fund (note i)	非上市基金(附註i)	16,545	16,275
Portfolio investment fund (note ii)	證券投資基金(附註ii)	57,829	51,185
Structured bank deposits (note iii)	結構性銀行存款(附註iii)	460,680	491,840
		535,054	559,300
Analysed as:	分析為：		
Current	流動	518,509	543,025
Non-current	非流動	16,545	16,275
		535,054	559,300

Notes:

- (i) The unlisted fund represents investment in an equity security of an unlisted company in the PRC and is measured at fair value.
- (ii) The Group invested into a portfolio investment fund with a fund manager in Hong Kong for investment returns. The portfolio includes a mixture of cash and shares which are primarily listed in Hong Kong and is measured at fair value.
- (iii) The Group invested into structured deposits with a bank in the PRC by using unutilised funds for investment returns. Majority of these structured deposits are with maturities of less than six months and the principal is generally renewed when matured.

附註：

- (i) 非上市基金指於中國一家非上市公司的權益證券投資，乃按公平值計量。
- (ii) 本集團通過投資於由香港一名基金經理管理的證券投資基金賺取投資回報。該投資組合包括現金與主要在香港上市股份的組合，並按公平值計量。
- (iii) 本集團通過未經使用的資金投資於一家中國銀行的結構性存款以賺取投資回報。大部份結構性存款的到期日少於六個月，本金一般於到期時重續。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

13. ACCOUNTS AND OTHER RECEIVABLES

13. 應收賬款及其他應收款項

		At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Accounts receivables	應收賬款	141,652	95,037
Prepayments to suppliers	預付供應商款項	13,189	5,267
Deposit paid for an investment (note i)	已付投資訂金(附註i)	81,000	5,000
Loan receivables (note ii)	應收貸款(附註ii)	100,000	100,000
Interest receivables	應收利息	6,703	6,066
Others	其他	19,902	8,138
Total accounts and other receivables	應收賬款及其他應收款項總額	362,446	219,508
Analysed as:	分析為：		
Current	流動	281,446	214,508
Non-current	非流動	81,000	5,000
		362,446	219,508

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

13. ACCOUNTS AND OTHER RECEIVABLES (Cont'd)

Notes:

- (i) During the six months ended 30 June 2018, an amount of RMB81,000,000 was paid by the Group to a vendor who is an independent third party of the Group, as a deposit paid for the proposed acquisition of Chongqing Kanghua Zhonglian Cardiovascular Hospital Co., Ltd. (the "Managed Hospital"), which is a specialty hospital in cardiovascular diseases located in Chongqing. The Group provides hospital management services to the Managed Hospital prior to the proposed acquisition. Such deposit is refundable upon the unsuccessful of acquisition or will use to offset the remaining acquisition consideration.

The amount of RMB5,000,000 as at 31 December 2017 represented the deposit paid for the acquisition of Anhui Hualin Group (name defined in note 18). The acquisition was completed and deposit was utilised on 1 April 2018.

- (ii) In June 2016, a wholly-owned subsidiary of the Company granted an unsecured loan of RMB50,000,000 to the Managed Hospital. In December 2016, the Group further provided an unsecured loan facility of RMB50,000,000 to the Managed Hospital, of which the Managed Hospital had made the first drawdown of RMB30,000,000 in the same month. In January 2017, the Managed Hospital had made the second drawdown of the unsecured loan facility of RMB20,000,000. The loans provided to the Managed Hospital are interest-bearing at a fixed rate of 0.42% per month and repayable within twelve months from the drawdown date. During the six months ended 30 June 2018, the loans of RMB50,000,000 and RMB20,000,000 were renewed upon maturity at a fixed rate of 0.42% per month and repayable within twelve months from the drawdown date.

13. 應收賬款及其他應收款項(續)

附註：

- (i) 截至二零一八年六月三十日止六個月，本集團向一名賣方(為本集團獨立第三方)支付款項人民幣81,000,000元，作為建議收購重慶康華眾聯心血管病醫院有限公司(「管理醫院」，一家位於重慶的心血管疾病專科醫院)所支付的訂金。本集團於建議收購前向管理醫院提供醫院管理服務。有關訂金須於收購不成功時退還或將用於抵銷餘下收購代價。

於二零一七年十二月三十一日為數人民幣5,000,000元的款項指就收購安徽樺霖集團(名稱的定義見附註18)支付的訂金。該項收購已完成且訂金於二零一八年四月一日已獲動用。

- (ii) 於二零一六年六月，本公司全資附屬公司向管理醫院授出人民幣50,000,000元的無擔保貸款。於二零一六年十二月，本集團進一步向管理醫院提供人民幣50,000,000元的無擔保貸款額度，而管理醫院同月首次提取當中人民幣30,000,000元。二零一七年一月，管理醫院第二次提取無擔保貸款額度人民幣20,000,000元。提供給管理醫院的貸款按照固定利率每月0.42%計息，並須於提取日期起計十二個月內償還。截至二零一八年六月三十日止六個月，貸款人民幣50,000,000元及人民幣20,000,000元於屆滿時按每月0.42%的固定利率續期，並須於提取日期起計十二個月內償還。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

13. ACCOUNTS AND OTHER RECEIVABLES (Cont'd)

The individual patients of the Group would usually settle payments by cash, credit cards or governments' social insurance schemes. For credit card payments, the banks will normally settle the amounts approximately 30 days after the transaction date. Payments by governments' social insurance schemes will normally be settled by the local social insurance bureau or similar government departments which are responsible for the reimbursement of medical expenses for patients who are covered by the government medical insurance schemes ranged from 30 to 90 days from the transaction date. Corporate customers will normally settle the amounts within 90 days after the transaction date by bank transfers.

The following is an aged analysis of accounts receivables, net of allowance for doubtful debts, presented based on the revenue recognition date at the end of the reporting period:

13. 應收賬款及其他應收款項(續)

本集團的個人病人一般以現金、信用卡或政府社保計劃繳費，對於信用卡支付，銀行通常會在交易日期後約30天結算賬款。透過政府的社保計劃繳費，則通常須由當地社保局或負責向辦理政府醫療保險計劃的病人報銷醫療開支的類似政府部門，自交易日期起介乎30至90天內結清。公司客戶將一般於交易日期後90天內以銀行轉賬方式結算款項。

基於報告期末收益確認日期呈列的應收賬款(扣除呆賬撥備)的賬齡分析如下：

		At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within 30 days	30天以內	84,769	71,637
31 to 90 days	31至90天	35,120	14,379
91 to 180 days	91至180天	1,221	4,102
181 to 365 days	181至365天	18,663	2,802
Over 365 days	超過365天	1,879	2,117
		141,652	95,037

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

14. ACCOUNTS AND OTHER PAYABLES

14. 應付賬款及其他應付款項

		At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Accounts payables	應付賬款	286,858	275,622
Accrued expenses	應計開支	37,153	68,919
Construction payables	應付建設費	17,802	16,241
Receipt in advance	預收款項	45,802	41,824
Other tax payables	其他應付稅項	5,965	3,979
Provision for medical dispute claims	醫療糾紛索償撥備	887	503
Others	其他	11,367	5,498
Other payables	其他應付款項	118,976	136,964
Total accounts and other payables	應付賬款及其他應付款項總額	405,834	412,586

The credit period of accounts payables is from 30 to 90 days from the invoice date.

應付賬款的信用期自發票日期起計介乎30至90天。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

16. OPERATING LEASES

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases with Dongguan Kanghua Investment Group Co., Ltd. ("Kanghua Group"), the shareholder of the Company, and the non-controlling shareholder of Dongguan Renkang Hospital Co., Ltd. ("Renkang Hospital") which fall due as follows:

		At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within one year	一年內	32,809	26,386
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	177,283	125,355
Over five years	超過五年	71,706	118,978
		281,798	270,719

Operating lease payments represent rentals payable by the Group for land and buildings used for provision of hospital services. These leases are negotiated for terms of ten years with fixed monthly rental. None of the leases include any contingent rental.

16. 經營租賃

本集團作為承租人

截至本報告期末，本集團根據與本公司股東東莞市康華投資集團有限公司(「康華集團」)及東莞仁康醫院有限公司(「仁康醫院」)非控股股東訂立的不可撤銷經營租約擁有未來最低租賃付款承擔的到期情況如下：

		At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
經營租賃付款指本集團用於提供醫院服務的土地及樓宇應付的租金。經磋商，該等租賃為期十年並支付固定月租。概無租賃包括任何或然租金。		32,809	26,386
		177,283	125,355
		71,706	118,978
		281,798	270,719

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

16. OPERATING LEASES (Cont'd)

The Group as Lessor

Property rental income earned during the current interim period was as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Rental income	租金收入	2,206	2,183
Less: Outgoings	減：支出	—	—
		2,206	2,183

The properties have non-cancellable operating leases at the end of the reporting period is as follows:

		At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within one year	一年內	59	53
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	47	73
		106	126

16. 經營租賃(續)

本集團作為出租人

於本中期間賺取的物業租金收入如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Rental income	租金收入	2,206	2,183
Less: Outgoings	減：支出	—	—
		2,206	2,183

於報告期末，該等物業的不可撤銷經營租賃如下：

		At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Within one year	一年內	59	53
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	47	73
		106	126

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

17. CAPITAL COMMITMENTS

	At 30 June 2018 於二零一八年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Capital expenditure in respect of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	79,380	82,848

18. ACQUISITION OF A SUBSIDIARY

On 1 April 2018 (“Date of Acquisition”), the Group acquired 57% equity interest in Anhui Hualin Medical Investment Co., Ltd. (“Anhui Hualin”), a PRC entity, and its subsidiaries (collectively referred as “Anhui Hualin Group”) by way of (i) an equity transfer of 49.71% equity interest in Anhui Hualin from the vendor, an independent third party, at a consideration of RMB58,660,000; and (ii) inject RMB20,000,000 capital into Anhui Hualin.

Anhui Hualin Group is engaged in the provision of rehabilitation and other healthcare services in the PRC. Anhui Hualin directly and indirectly (through its wholly-owned subsidiary) holds interests in certain private non-enterprise entities in the PRC, including one class II rehabilitation hospital, one class I general hospital, nine rehabilitation centres for the disabled and one vocational training school in Anhui Province, the PRC.

This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was RMB56,601,000.

18. 收購一家附屬公司

二零一八年四月一日(「收購日期」)，本集團收購安徽樺霖醫療投資有限公司(「安徽樺霖」，一間中國實體及其附屬公司，統稱「安徽樺霖集團」)的57%股權，方式為(i)以代價人民幣58,660,000元自賣方(一名獨立第三方)獲得安徽樺霖49.71%股權的股權轉讓；及(ii)向安徽樺霖注資人民幣20,000,000元。

安徽樺霖集團在中國從事提供康復及其他醫療服務。安徽樺霖透過其全資附屬公司直接及間接在中國多間民辦非企業單位持有舉辦者權益，包括中國安徽省的一間二級康復醫院、一間一級綜合醫院、九間殘疾人康復中心及一間職業培訓學校。

該項收購按購買法入賬。該收購產生的商譽金額為人民幣56,601,000元。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

18. ACQUISITION OF A SUBSIDIARY (Cont'd)

Consideration comprised of:

		RMB'000 人民幣千元
Cash paid during the current period	期內支付現金	53,660
Capital injected into Anhui Hualin during the current period	期內向安徽樺霖注資	20,000
Deposit paid during the year ended 31 December 2017	截至二零一七年十二月三十一日止年度已付之訂金	5,000
		78,660

Acquisition-related costs amounting to RMB707,000 have been excluded from the cost of acquisition and have been recognised directly as administrative expenses in the condensed consolidated statement of profit or loss and other comprehensive income during the period.

Provisional fair value of assets and liabilities recognised at the date of acquisition:

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	9,535
Inventories	存貨	1,237
Accounts and other receivables	應收賬款及其他應收款項	19,205
Bank balances and cash	銀行結餘及現金	2,568
Accounts and other payables	應付賬款及其他應付款項	(10,330)
Amounts due to a shareholder	應付一名股東款項	(3,515)
		18,700

18. 收購一家附屬公司(續)

代價包括：

	RMB'000 人民幣千元
Cash paid during the current period	53,660
Capital injected into Anhui Hualin during the current period	20,000
Deposit paid during the year ended 31 December 2017	5,000
	78,660

收購相關成本人民幣707,000元已從已轉讓代價中剔除，並於本期之簡明綜合損益及其他全面收益表內確認為行政開支。

於收購日期的資產及所確認負債暫定公平值如下：

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

18. ACQUISITION OF A SUBSIDIARY (Cont'd)

Consideration comprised of: (Cont'd)

Goodwill arising on acquisition (Note 11):

		RMB'000 人民幣千元
Consideration	代價	78,660
Plus: non-controlling interests (43% of Anhui Hualin)	加：非控股權益(安徽樺霖的43%)	16,641
Less: net assets acquired	減：所收購資產淨值	(18,700)
Less: increase in net asset pursuant to capital injection	減：因注資資產淨值增加	(20,000)
		56,601

Net cash outflows arising on acquisition for the current period:

		RMB'000 人民幣千元
Consideration paid in cash	以現金支付之代價	78,660
Less: deposit paid during the year ended 31 December 2017	減：截至二零一七年十二月三十一日止年度 已付之訂金	(5,000)
Less: capital injection in Anhui Hualin in cash	減：以現金向安徽樺霖注資	(20,000)
Less: cash and cash equivalent balances acquired	減：所收購現金及現金等價物結餘	(2,568)
		51,092

18. 收購一家附屬公司(續)

代價包括：(續)

收購產生的商譽(附註11)：

		RMB'000 人民幣千元
Consideration	代價	78,660
Plus: non-controlling interests (43% of Anhui Hualin)	加：非控股權益(安徽樺霖的43%)	16,641
Less: net assets acquired	減：所收購資產淨值	(18,700)
Less: increase in net asset pursuant to capital injection	減：因注資資產淨值增加	(20,000)
		56,601

本期間收購產生的流出現金淨額：

		RMB'000 人民幣千元
Consideration paid in cash	以現金支付之代價	78,660
Less: deposit paid during the year ended 31 December 2017	減：截至二零一七年十二月三十一日止年度 已付之訂金	(5,000)
Less: capital injection in Anhui Hualin in cash	減：以現金向安徽樺霖注資	(20,000)
Less: cash and cash equivalent balances acquired	減：所收購現金及現金等價物結餘	(2,568)
		51,092

The initial accounting for the acquisition of subsidiary has been determined provisionally for the intangible assets or goodwill to be identified and recognised awaiting the receipt of professional valuation in relation to the respective fair values.

Included in the profit for the interim period is RMB3,329,000 attributable to Anhui Hualin Group. Revenue for the interim period includes RMB14,650,000 is attributable to Anhui Group.

Had the acquisition of Anhui Hualin been effected at the beginning of the interim period, the total amount of revenue of the Group from continuing operations for the six months ended 30 June 2018 would have been RMB750,157,000, and the amount of the profit for the interim period from continuing operations would have been RMB87,635,000.

收購附屬公司的初始會計處理是暫時認定將予確定及確認的無形資產或商譽，以待取得無形資產或商譽的公平值的專業估值。

安徽樺霖集團應佔人民幣3,329,000元計入中期溢利。中期收益包括安徽樺霖集團應佔人民幣14,650,000元。

倘收購安徽樺霖於中期期初已完成，則截至二零一八年六月三十日止六個月本集團的收益總額將會為人民幣750,157,000元，而中期溢利金額將會為人民幣87,635,000元。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

19. RELATED PARTY DISCLOSURES

In addition to the transactions, balances and commitments disclosed elsewhere in the condensed consolidated financial statements, the Group had entered into the following related party transactions:

19. 關聯方披露

除簡明綜合財務報表其他章節所披露的交易、結餘及承擔外，本集團已訂立以下關聯方交易：

Name of related companies 關聯公司名稱	Relationship 關係	Nature of transactions 交易性質	Six months ended 30 June 截至六月三十日止六個月	
			2018 二零一八年 RMB'000 人民幣千元 (unaudited) (未經審核)	2017 二零一七年 RMB'000 人民幣千元 (unaudited) (未經審核)
Kanghua Group 康華集團	Shareholder 股東	Rental expense 租金開支	12,525	11,482
Tongli Enterprise 同力實業	Non-controlling shareholder of Renkang Hospital 仁康醫院的非控股股東	Rental expense 租金開支	1,812	1,693
東莞市菁盛園林工程有限公司	Company controlled by Xingye Group (note) 由興業集團控制的公司(附註)	Landscape maintenance expense 園林綠化維護開支	—	33
東莞市東成石材有限公司	Company controlled by Xingye Group (note) 由興業集團控制的公司(附註)	Purchase of construction materials 購買建築材料	9	1,130

Note: Xingye Group is controlled by one of the Controlling Shareholders (define as below).

附註：興業集團由其中一名控股股東所控制（定義如下）。

Other than those disclosed above, certain subsidiaries of the Group had provided staff healthcare services to companies controlled by Mr. Wang Junyang, Ms. Wang Aici, Ms. Wang Aiqin and Mr. Chen Wangzhi, all of whom are close family members (collectively referred as "Controlling Shareholders"). The corresponding aggregate service fees amounted to approximately RMB14,000 for the six months ended 30 June 2018 (Six months ended 30 June 2017: RMB23,000).

除上文所披露者外，本集團若干附屬公司已向受王君揚先生、王愛慈女士、王愛勤女士及陳旺枝先生（彼等均為近親家庭成員，統稱「控股股東」）控制的公司提供員工醫療服務，而相應服務費總額於截至二零一八年六月三十日止六個月約為人民幣14,000元（截至二零一七年六月三十日止六個月：人民幣23,000元）。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

19. RELATED PARTY DISCLOSURES (Cont'd)

Compensation of key management personnel

Key management includes directors and supervisors. The remuneration of the key management during the current interim period was as follows:

		Six months ended 30 June	
		截至六月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Fees	袍金	1,080	1,080
Salaries and allowances	薪金及津貼	879	277
Retirement benefit schemes contributions	退休福利計劃供款	28	18
		1,987	1,375

20. CONTINGENT LIABILITIES

The Group is involved as defendants in certain medical disputes arising from its normal business operations. Except for those disputes with provision made as disclosed in Note 14, the management of the Group believes that the final result of other medical disputes with total claims of RMB8,246,000 (31 December 2017: RMB7,143,000) as at 30 June 2018 will not have a material impact on the financial position or operations of the Group and the amount of outflow, if any, cannot be determined with sufficient reliability prior to judicial appraisals. Accordingly, no provision is made in this regard.

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Other than the financial assets carried at fair value as detailed in the following table, the directors of the Company consider that the carrying amounts of other financial instruments that are recorded at amortised cost in these condensed consolidated financial statements approximate their fair values.

19. 關聯方披露(續)

主要管理人員薪酬

主要管理層包括董事及監事。於本中期期間，主要管理層的薪酬如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		RMB' 000	RMB' 000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Fees	袍金	1,080	1,080
Salaries and allowances	薪金及津貼	879	277
Retirement benefit schemes contributions	退休福利計劃供款	28	18
		1,987	1,375

20. 或然負債

本集團作為被告牽涉於其一般業務營運中產生的若干醫療糾紛。除附註14所披露就此等糾紛作出的撥備外，本集團管理層相信於二零一八年六月三十日，涉及索償總額人民幣8,246,000元(二零一七年十二月三十一日：人民幣7,143,000元)的其他醫療糾紛的最終結果將不會對本集團的財務狀況或營運造成重大影響，而流出金額(如有)無法於司法鑒定前充分可靠地釐定。因此，本集團並無就此作出撥備。

21. 金融工具的公平值計量

除下表所詳述按公平值列賬的金融資產外，本公司董事認為，按攤銷成本於本簡明綜合財務報表中入賬的其他金融工具的賬面金額與其公平值相若。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the Six Months ended 30 June 2018

截至二零一八年六月三十日止六個月

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Cont'd)

Financial assets	金融資產	Fair value	Fair value	Valuation techniques and key inputs	Fair value hierarchy	Valuation techniques and key inputs
		as at 30 June 2018	as at 31 December 2017			
		於二零一八年六月三十日的公平值 RMB'000 人民幣千元	於二零一七年十二月三十一日的公平值 RMB'000 人民幣千元			
Unlisted fund	非上市基金	16,545	16,275	Level 2	Quoted price from a financial institution	報價來自金融機構
Portfolio investment fund	證券投資基金	57,829	51,185	Level 2	Quoted price from a financial institution	報價來自金融機構
Structured bank deposits	結構性銀行存款	460,680	491,840	Level 2	Quoted price from a financial institution	報價來自金融機構

There was no transfer amongst Levels 1, 2 and 3 in both periods.

於兩個期間內，第一級、第二級及第三級工具之間並無轉撥。

22. EVENT AFTER REPORTING PERIOD

On 22 June 2018, the Company announced a possible acquisition and has entered into an acquisition agreement to acquire 60% equity interest in the Managed Hospital from an independent third party with a total consideration of RMB270 million. During the six months ended 30 June 2018, the Group paid a deposit relating to the possible acquisition amounting to RMB81 million. The acquisition of Managed Hospital was completed on 31 July 2018 and has become a non-wholly owned subsidiary of the Company.

22. 報告期後事項

本公司於二零一八年六月二十二日公佈一項可能收購事項，本公司已訂立收購協議，向一名獨立第三方收購管理醫院60%股本權益，總代價為人民幣270百萬元。於截至二零一八年六月三十日止六個月，本集團已就可能收購事項支付按金人民幣81百萬元。於二零一八年七月三十一日，眾聯心血管病醫院收購完成，成為本公司的非全資附屬公司。

Definitions

釋義

Anhui Hualin	Anhui Hualin Medical Investment Co., Ltd. (安徽樺霖醫療投資有限公司), a limited liability company established in the PRC on 19 December 2016 with 57% of its equity interest being held by Dongguan Kanghua Medical Rehabilitation Investment Company Limited (東莞康華康復醫療投資有限公司), our wholly-owned subsidiary and 43% held by Hefei Haihua Enterprises Management Consulting Partnership (Limited Partnership) (合肥海樺企業管理諮詢合夥企業 (有限合夥)), an Independent Third Party
「安徽樺霖」	安徽樺霖醫療投資有限公司，於二零一六年十二月十九日在中國成立的有限責任公司，其57%的股權由東莞康華醫療康復投資有限公司持有，我們的全資附屬公司，及43%由獨立第三方合肥海樺企業管理諮詢合夥企業(有限合夥)持有
Audit Committee	the audit committee of the Board
「審核委員會」	董事會審核委員會
Board of Directors or Board	the board of Directors of the Company
「董事會」	本公司董事會
Company	Guangdong Kanghua Healthcare Co., Ltd. (廣東康華醫療股份有限公司), a joint stock limited liability company established under the laws of the PRC, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock code: 3689)
「本公司」	廣東康華醫療股份有限公司，一家根據中國法律成立的股份有限公司，其H股於香港聯交所主板上市(股份代號：3689)
CG Code	the Corporate Governance Code contained in Appendix 14 to the Hong Kong Listing Rules
「企業管治守則」	香港上市規則附錄十四所載的《企業管治守則》
Controlling Shareholders	has the meaning ascribed under the Hong Kong Listing Rules and unless the context otherwise requires, refers to Mr. Wang Junyang, Ms. Wang Aici, Kanghua Group, Xingye Group, Mr. Chen Wangzhi, Ms. Wang Aiqin and Xingda Property as a group of Controlling Shareholders of the Company, and each of them, a “Controlling Shareholder”
「控股股東」	具香港上市規則所賦予的涵義，除非文義另有所指，指王君揚先生、王愛慈女士、康華集團、興業集團、陳旺枝先生、王愛勤女士及興達物業作為一組本公司控股股東，而彼等各自為一名「控股股東」
Director(s)	the director(s) of the Company
「董事」	本公司董事或任何一位董事
Domestic Share(s)	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB and are unlisted Shares which are currently not listed or traded on any stock exchange
「內資股」	本公司所發行每股面值為人民幣1.00元並以人民幣認購或入賬列為繳足股本的普通股，並且是目前未在任何證券交易所上市或交易的非上市股份

Definitions

釋義

“Group” or “we” or “our” 「本集團」或「我們」	the Company and its subsidiaries 本公司及其附屬公司
Guangdong HFPC 「廣東省衛計委」	the Health and Family Planning Commission of Guangdong Province (廣東省衛生和計劃生育委員會), which was reorganised from the former Guangdong Province Department of Health (廣東省衛生廳) and Guangdong Province Population and Family Planning Commission (廣東省人口和計劃生育委員會) in October 2013 and includes its predecessor regulatory bodies for the purpose of this document 廣東省衛生和計劃生育委員會，於二零一三年十月由前身廣東省衛生廳及廣東省人口和計劃生育委員會重組成立，就本文件而言，包括該等前身監管機構
H Share(s) 「H股」	overseas listed foreign invested ordinary share(s) in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, listed on the Main Board of the Hong Kong Stock Exchange 本公司普通股股本中每股面值人民幣1.00元的境外上市外資普通股，於香港聯交所主板上上市
“HK\$” or “Hong Kong dollars” 「港元」	Hong Kong dollars, the lawful currency of Hong Kong 港元，香港法定貨幣
Hong Kong 「香港」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
Hong Kong Listing Rules 「香港上市規則」	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time 《香港聯合交易所有限公司證券上市規則》，經不時修訂、補充或修改
Hong Kong Stock Exchange 「香港聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
Huaxin Building 「華心樓」	refers to the complex (華心樓) at Kanghua Hospital which was commissioned to provide VIP healthcare services 康華醫院華心樓，獲分派提供貴賓醫療服務
Independent Third Party(ies) 「獨立第三方」	Any entity or person who is not a connected person of our Company within the meaning ascribed thereto under the Hong Kong Listing Rules 根據香港上市規則，歸因於香港上市規則賦予的涵義，並非本公司關連人士的任何實體或人士

Kangdi Enterprise	Dongguan Kangdi Enterprise Co., Ltd. (東莞市康帝實業有限公司), a limited liability company established in the PRC on 25 July 2014 with 50% of its equity interest held by Mr. Wang Zhengren (王政仁) and 50% by Ms. Wang Keying (王可瑩), all of whom are members of the Wang Family, being cousins of Mr. Wang Junyang. Kangdi Enterprise holds a 15% equity interest in Renkang Hospital
「康帝實業」	東莞市康帝實業有限公司，一家於二零一四年七月二十五日在中國成立的有限責任公司，其股權由王政仁先生及王可瑩女士各持有50%，彼等均為王氏家族的成員及王君揚先生的堂兄弟姐妹。康帝實業於仁康醫院持有15%的股權
Kanghua Group	Dongguan Kanghua Investment Group Co., Ltd. (東莞市康華投資集團有限公司), a limited liability company established in the PRC on 29 March 2002 and one of the Controlling Shareholders holding approximately 59.06% interest in the Company. It is owned as to 97.46% by Mr. Wang Junyang and as to 2.54% by Ms. Wang Aici. Kanghua Group, Mr. Wang Junyang, Ms. Wang Aici, Xingye Group, Mr. Chen Wangzhi, Ms. Wang Aiqin and Xingda Property are acting together as a group of Controlling Shareholders
「康華集團」	東莞市康華投資集團有限公司，一家於二零零二年三月二十九日在中國成立的有限責任公司及我們其中一名控股股東，持有本公司約59.06%權益，其分別由王君揚先生及王愛慈女士擁有97.46%及2.54%。康華集團、王君揚先生、王愛慈女士、興業集團、陳旺枝先生、王愛勤女士及興達物業作為一組控股股東一致行動
Kanghua Hospital	Dongguan Kanghua Hospital Co., Ltd. (東莞康華醫院有限公司), a limited liability company established in the PRC on 15 September 2005 and a wholly-owned subsidiary of the Company
「康華醫院」	東莞康華醫院有限公司，一家於二零零五年九月十五日在中國成立的有限責任公司，且為本公司的全資附屬公司
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Hong Kong Listing Rules
「標準守則」	香港上市規則附錄十所載《上市發行人董事進行證券交易標準守則》
NHFPC	the National Health and Family Planning Commission of the PRC (中華人民共和國衛生和計劃生育委員會), which was reorganised from the former Ministry of Health (衛生部) and the National Population and Family Planning Commission (國家人口和計劃生育委員會) in March 2013 and includes such predecessor regulatory board for the purpose of this document
「國家衛計委」	中華人民共和國衛生和計劃生育委員會，於二零一三年三月由前身衛生部及國家人口和計劃生育委員會重組成立，就本文件而言，包括該等前身監管機構
Nomination Committee	the nomination committee of the Board
「提名委員會」	董事會提名委員會
O&G	obstetrics and gynaecology
「婦產科」	婦產科

Definitions

釋義

“PRC” or “China” 「中國」	the People’s Republic of China 中華人民共和國
PRC Company Law 「中國公司法」	the Company Law of the People’s Republic of China (中華人民共和國公司法), as amended and adopted by the Standing Committee of the Twelfth National People’s Congress on 28 December 2013 and effective on 1 March 2014, as amended, supplemented and otherwise modified from time to time 《中華人民共和國公司法》，由第十二屆全國人民代表大會常務委員會於二零一三年十二月二十八日修訂並通過，自二零一四年三月一日起生效，經不時修訂、補充及以其他方式修改
Prospectus 「招股章程」	the prospectus of the Company dated 27 October 2016 本公司日期為二零一六年十月二十七日的招股章程
Reporting Period 「報告期」或「報告期間」	the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
Remuneration Committee 「薪酬委員會」	the remuneration committee of the Board 董事會薪酬委員會
Renkang Hospital 「仁康醫院」	Dongguan Renkang Hospital Co., Ltd. (東莞仁康醫院有限公司), a limited liability company established in the PRC on 23 August 2005 with 57% of its equity interest being held by the Company, 15% by Kangdi Enterprise, 15% by Ms. Zhang Dandan and 13% by Ms. Wang Aier, respectively 東莞仁康醫院有限公司，一家於二零零五年八月二十三日在中國成立的有限責任公司，其股權分別由本公司、康帝實業、張丹丹女士及王愛兒女士持有57%、15%、15%及13%
RMB 「人民幣」	the lawful currency of the PRC 中國法定貨幣
SFO 「證券及期貨條例」	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, supplemented or otherwise modified from time to time 香港法例第571章《證券及期貨條例》(經不時修訂、補充或以其他方式修改)
Share(s) 「股份」	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, including the Domestic Share(s) and the H Share(s) 本公司股本中每股面值人民幣1.00元的股份，包括內資股及H股
Shareholder(s) 「股東」	holder(s) of the Share(s) 股份持有人

<p>“subsidiary” or “subsidiaries”</p> <p>「附屬公司」</p>	<p>has the meaning ascribed thereto in the Companies Ordinance (Chapter 622 of the laws of Hong Kong)</p> <p>具有香港法例第622章《公司條例》賦予該詞的含義</p>
<p>“substantial shareholder(s)”</p> <p>「主要股東」</p>	<p>has the meaning ascribed thereto in the Hong Kong Listing Rules</p> <p>具有香港上市規則賦予該詞的含義</p>
<p>“Supervisor(s)”</p> <p>「監事」</p>	<p>the members of the Supervisory Committee</p> <p>監事會成員</p>
<p>“Supervisory Committee”</p> <p>「監事會」</p>	<p>the Company’s supervisory committee established pursuant to the PRC Company Law</p> <p>本公司根據中國公司法設立的監事會</p>
<p>“Tongli Enterprise”</p> <p>「同力實業」</p>	<p>Dongguan Tongli Enterprise Co., Ltd. (東莞市同力實業有限公司), a limited liability company established in the PRC on 23 June 2003 with 43% of its equity interest being held by Ms. Wang Aiqin, 29% by Ms. Wang Aici, 15% by Ms. Zhang Dandan (張丹丹) and 13% by Ms. Wang Aier (王愛兒), respectively, all of whom are members of the Wang Family, being aunts of Mr. Wang Junyang. Pursuant to a nominee arrangement among the Wang Family, (i) Ms. Wang Aici (an aunt of Mr. Wang Junyang) agreed to hold 16% of her equity interest in Tongli Enterprise on behalf of Mr. Wang Junyang; (ii) Ms. Wang Aiqin (an aunt of Mr. Wang Junyang and the spouse of Mr. Chen Wangzhi) agreed to hold 15% and 6.5% of her equity interest in Tongli Enterprise on behalf of Mr. Wang Junyang and Mr. Chen Wangzhi, respectively; and (iii) Ms. Wang Aiqin agreed to hold 15% of her equity interest in Tongli Enterprise on behalf of Mr. Wang Wencheng (王文成)</p> <p>東莞市同力實業有限公司，一家於二零零三年六月二十三日在中國成立的有限責任公司，其股權分別由王愛勤女士、王愛慈女士、張丹丹女士及王愛兒女士持有43%、29%、15%及13%，彼等均為王氏家族的成員及王君揚先生的姑母或姨母。根據王氏家族中的代名人安排，(i) 王愛慈女士(王君揚先生的姑母)同意代表王君揚先生持有其於同力實業16%權益；(ii) 王愛勤女士(王君揚先生的姑母及陳旺枝先生的配偶)同意代表王君揚先生及陳旺枝先生分別持有其於同力實業15%權益及6.5%權益；及(iii) 王愛勤女士同意代表王文成先生持有其於同力實業15%權益</p>
<p>Wang Family</p> <p>「王氏家族」</p>	<p>The family members of the founder of the Group, the late Mr. Wang Jincheng (王金城), including (i) his children; (ii) his siblings; (iii) the spouses of his siblings; and (iv) the children of his siblings</p> <p>本集團創辦人故王金城先生的家庭成員，包括(i) 其子女；(ii) 其兄弟姊妹；(iii) 其兄弟姊妹的配偶；及(iv) 其兄弟姊妹的子女</p>

Definitions

釋義

Xingda Property	Dongguan Xingda Property Investment Co., Ltd. (東莞市興達物業投資有限公司), a limited liability company established in the PRC on 14 December 2001 and one of the Controlling Shareholders holding approximately 8.22% interest in the Company. It is owned as to 50% each by Mr. Chen Wangzhi and Ms. Wang Aiqin. Xingda Property, Mr. Chen Wangzhi, Ms. Wang Aiqin, Mr. Wang Junyang, Ms. Wang Aici, Kanghua Group and Xingye Group are acting together as a group of Controlling Shareholders
「興達物業」	東莞市興達物業投資有限公司，一家於二零零一年十二月十四日在中國成立的有限公司及我們其中一名控股股東，持有本公司約8.22%權益，其由陳旺枝先生及王愛勤女士各擁有50%。興達物業、陳旺枝先生、王愛勤女士、王君揚先生、王愛慈女士、康華集團及興業集團作為一組控股股東一致行動
Xingye Group	Dongguan Xingye Group Co., Ltd. (東莞市興業集團有限公司), a limited liability company established in the PRC on 15 April 1997 and one of the Controlling Shareholders holding approximately 7.48% interest in the Company. It is owned as to 80% by Mr. Wang Junyang and as to 20% by Ms. Wang Aici, respectively. Xingye Group, Mr. Wang Junyang, Ms. Wang Aici, Kanghua Group, Mr. Chen Wangzhi, Ms. Wang Aiqin and Xingda Property are acting together as a group of Controlling Shareholders
「興業集團」	東莞市興業集團有限公司，一家於一九九七年四月十五日在中國成立的有限公司及我們其中一名控股股東，持有本公司約7.48%權益，其由王君揚先生及王愛慈女士分別擁有80%及20%。興業集團、王君揚先生、王愛慈女士、康華集團、陳旺枝先生、王愛勤女士及興達物業作為一組控股股東一致行動
Zhonglian Cardiovascular Hospital	Chongqing Kanghua Zhonglian Cardiovascular Hospital Co., Ltd. (重慶康華眾聯心血管病醫院有限公司), a limited liability company established in the PRC on 10 June 2014 and a non-wholly-owned subsidiary of the company
「眾聯心血管病醫院」	重慶康華眾聯心血管病醫院有限公司，一家於二零一四年六月十日在中國成立的有限責任公司及非全資子公司
%	percentage ratio
%	百分比比率



廣東康華醫療股份有限公司
Guangdong Kanghua Healthcare Co., Ltd.*